

AMENDED PRELIMINARY REPORT



SERVING INYO AND MONO COUNTIES
SINCE 1913

873 North Main Street
Bishop, CA 93514
760-872-4741 Phone
760-873-8938 Fax

Inyo-Mono Title Company
Attn: Michelle Forbis
218 Sierra Park Road, PO Box 1030
Mammoth Lakes, CA 93546

Date Issued: February 24, 2022
Our No.: IMT-00013768-M
Your Ref No.: Lindsay/Pumphrey &
Neuberger

EFFECTIVE DATE OF THIS REPORT: February 16, 2022 @ 7:30 a.m.

In response to the above referenced application for a policy of title insurance, Inyo-Mono Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One attached. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

This report is subject to a minimum cancellation charge as required under section 12404 of the State of California Insurance Code.

The form of Policy or Policies of Title Insurance contemplated by this report is:

ALTA Loan Policy (6/17/2006)
ALTA/CLTA Homeowners Policy One-to-Four Family (12/02/13)

Andrea Glow, Title Officer
aglow@inyomonotitle.com

The estate or interest in the land hereinafter described or referred to covered by this Report is: Fee

Title to said estate or interest at the date hereof is vested in:

Dennis E. Lindsay and Margarita Lindsay, husband and wife as joint tenants

The land referred to in this Report is situated in the State of California, County of Mono, and is described as follows:

SEE EXHIBIT "A" ATTACHED HERewith AND MADE A PART HEREOF FOR THE LEGAL DESCRIPTION.

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2022-2023.

Current Tax Identification Number: [016-143-046-000](#)

- a. Property taxes, including any personal property taxes and any assessments collected with taxes are as follows:

Fiscal Year:	2021-2022
1 st Installment:	\$1,961.73 PAID
2nd Installment:	\$1,961.73 PAID
Total Amount:	\$3,923.46
Current Tax Identification Number:	016-143-046-000

- b. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation Code of the State of California.

2. The herein described land lies within the June Lake Assessment District No. 2 and is subject to any liens or assessments thereof.
3. The herein described land lies within the Williams Tract County Water District and is subject to any liens or assessments thereof.
4. The herein described land lies within the Williams Tract Refunding Assessment District and is subject to any liens or assessments thereof.
5. The herein described land lies within the June Lake Public Utility District and is subject to any liens or assessments thereof.
6. The herein described land lies within the June Lake Assessment District #1 and is subject to any liens or assessments thereof.
7. The herein described land lies within the Eastern Sierra Unified School District and is subject to any liens or assessments thereof.
8. The herein described land lies within the Silver Lake Pines Maintenance Fees Service Area and is subject to any liens or assessments thereof.
9. Rights and easements for navigation and fishery which may exist over that portion of said Land lying beneath the waters of Reverse Creek.

10. Easement(s) for the purpose(s) shown below and rights incidental thereto as shown in the document
- In Favor Of: Nevada California Power Company, a corporation
Recording Date: November 26, 1918
Recording No.: [Book S, Page 479](#), of Deeds
Purpose: Pole lines
- The exact location and extent of said easement is not disclosed of record.
11. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: California Electric Power Company and Interstate Telegraph Company
Purpose: Electric lines, and telephone lines
Recording Date: October 1, 1945
Recording No.: [Book 21, Page 98](#), Official Records and [Book 21, Page 100](#), Official Records
Affects: As described therein
12. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: California Electric Power Company
(No representation is made as to the present ownership of said easement)
Purpose: Poles
Recording Date: December 8, 1960
Recording No.: [Book 49 Page 241](#), Official Records
Affects: As described therein
13. The effect of an instrument which merged said Land into one parcel or unit of land
- Entitled: Notice of Merger
Executed By: Mono County
Recording Date: June 12, 1981
Recording No.: [Book 328 Page 229](#), Official Records
Affects: Lots 42 and 43, Block 29, Silver Lake Pines V
14. The effect of an instrument which merged said Land into one parcel or unit of land
- Entitled: Notice of Merger
Executed By: Mono County Planning Commission
Dated: June 11, 1981
Recording Date: June 12, 1981
Recording No.: [Book 328 Page 231](#), Official Records
Affects: Lots 40 and 41, Block 29, Silver Lake Pines V
15. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: June Lake Public Utility District
(No representation is made as to the present ownership of said easement)
Purpose: Sanitary sewer
Recording Date: November 9, 1981
Recording No.: [Book 339 Page 589](#), Official Records
Affects: That portion of said land as described therein
16. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:
- Granted to: June Lake Public Utility District
(No representation is made as to the present ownership of said easement)
Purpose: Sanitary sewer purposes
Recording Date: November 9, 1981
Recording No.: [Book 339 Page 590](#), Official Records
Affects: As described therein

17. Matters disclosed by a Record of Survey filed in Book 2, Page 25, Record of Surveys, in the office of the County Recorder of said County relating to the location and dimensions of a portion of said land.
18. Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.
19. In order to complete this report, the Company requires a Statement of Information to be completed by the following party(ies),
Party(ies): Record Owner/New Owner

The Company reserves the right to add additional items or make further requirements after review of the requested Statement of Information.

NOTE: The Statement of Information is necessary to complete the search and examination of title under this order. Any title search includes matters that are indexed by name only, and having a completed Statement of Information assists the Company in the elimination of certain matters which appear to involve the parties but in fact affect another party with the same or similar name. Be assured that the Statement of Information is essential and will be kept strictly confidential to this file.

20. The Company will require a current Trust Certification, pursuant to California Probate Code Section 18100.5, with respect to the hereinafter named Trust(s):

Name of Trust(s): The Kristen Pumphrey and Thomas Neuberger Trust dated June 18, 2019, and any amendments thereto

The Company reserves the right to add additional items or make further requirements after receipt of the Trust Certification.

21. Matters which may be disclosed by an inquiry with the persons in possession of said land. The Company will require that the enclosed "Owner's Affidavit" be completed by the party(s) named below and returned for our review and examination, prior to the issuance of the policy of Title Insurance offered herein.

Party(s): Record Owner

The Company reserves the right to add additional exceptions to title or make further requirements after our review and examination of said Affidavit.

22. Based upon the information provided to the company when this order was opened, it is uncertain what land is to be covered by this Preliminary Report, and the Policy(ies) to be issued. The Company believes that the land described in this Preliminary Report is that which was requested, however, the Company makes no such presentations. Please verify that the description of the land in this Preliminary Report is accurate and the land which the parties wish to be covered by the Policy(ies) to be issued. Unless the Company is advised to the contrary, it will proceed on the assumption that the land described in this Preliminary Report is the land which is to be covered by the Policy(ies) to be issued pursuant hereto.

END OF EXCEPTIONS

Notes:

- A. Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
- B. The Subject Property's address is as follows:

5424 Highway 158
June Lake, CA 93529
- C. The proposed Underwriter on this file will be Chicago Title Insurance Company.

D. California "Good Funds" Law

Effective January 1, 1990, California insurance code section 12313.1 (chapter 598, statutes of 1989), prohibits a title insurance company, controlled escrow company, or underwritten title company from disbursing funds from an escrow or sub-escrow account. (except for funds deposited by wire transfer, electronic payment or cash) until the day these funds are made available to the deposit or pursuant to part 229 of title 12 of the code of federal regulations, (reg. cc). items such as cashier's, certified, or teller's checks may be available for disbursement on the business day following the business day of deposit; however, other forms of deposits may cause extended delays in closing the escrow or sub-escrow.

E. The policy of title insurance will include an arbitration provision. The company or the insured may demand arbitration. Arbitratable matters may include, but are not limited to, any controversy or claim between the company and the insured arising out of or relating to this policy, any service of the company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your title insurance coverage.

F. Notice: Please be aware that due to the conflict between Federal and State laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving land that is associated with these activities.

END OF NOTES

EXHIBIT "A"
Legal Description

LOTS 40, 41 AND 42, IN BLOCK 29, IN SILVER LAKE PINES TRACT NO. 5, IN THE COUNTY OF MONO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 1, PAGE 11 OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

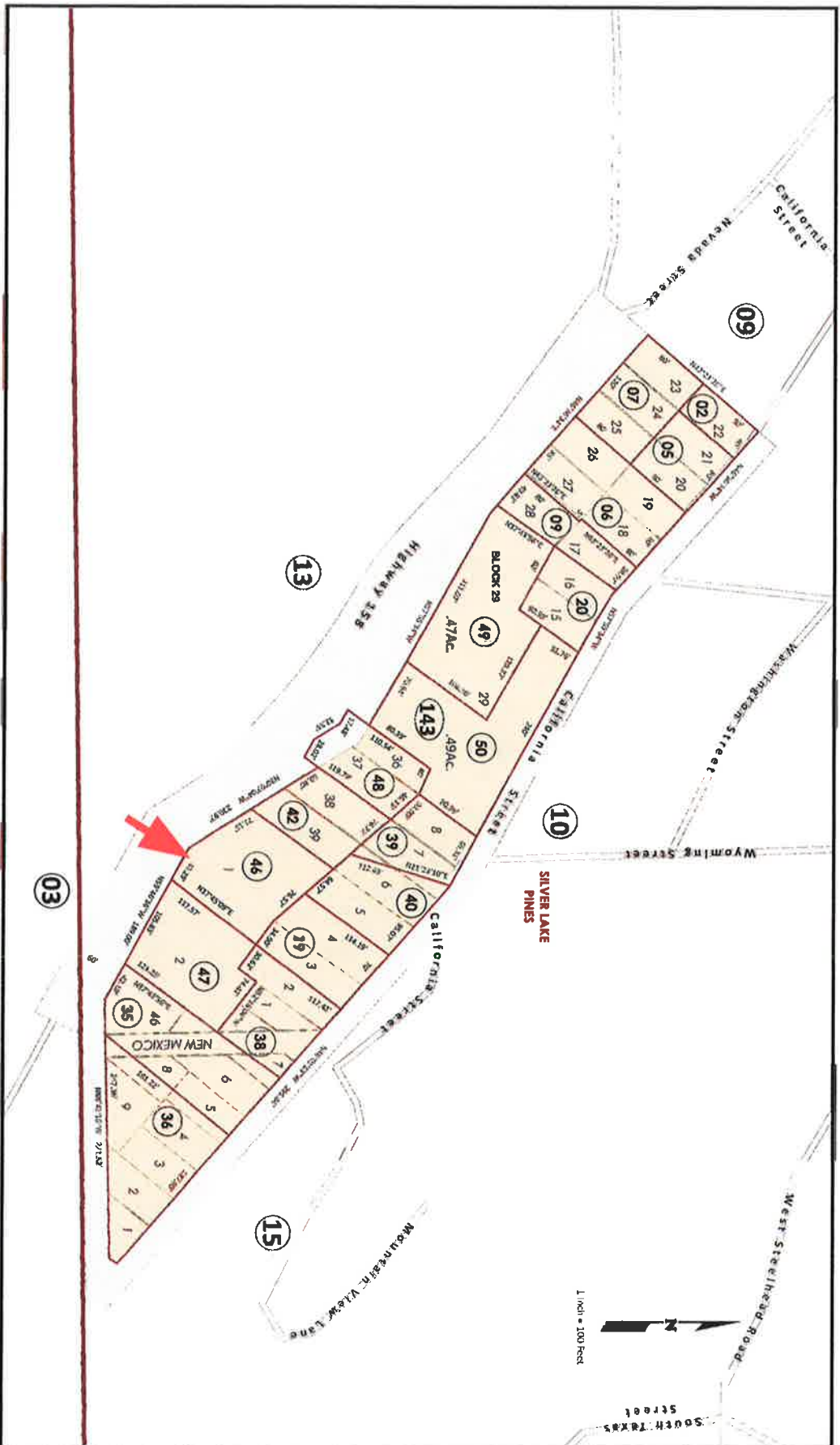
EXCEPTING THEREFROM ANY PORTION OF SAID LAND LYING WITHIN LOT LINE ADJUSTMENT PARCEL 2, AS SHOWN ON THE RECORD OF SURVEY FOR LOT LINE ADJUSTMENT NO. 34-25, IN THE COUNTY OF MONO, STATE OF CALIFORNIA, AS PER RECORDED OF SURVEY MAP RECORDED IN [BOOK 2, PAGE 25 OF RECORDS OF SURVEY](#).

SAID LAND IS ALSO SHOWN AS LOT LINE ADJUSTMENT PARCEL 1, AS SHOWN ON THE RECORD OF SURVEY FOR LOT LINE ADJUSTMENT NO. 34-25, IN THE COUNTY OF MONO, STATE OF CALIFORNIA, AS PER RECORD OF SURVEY MAP RECORDED IN [BOOK 2, PAGE 25 OF RECORDS OF SURVEY](#).

POR. S1/2, N1/2, N1/2, SEC.21, T2S., R29E, M.D.B.&M.
SILVER LAKE PINES TRACT 5

Tax Rate Area
51-15

16-14



M.B. 1-11, SILVER LAKE PINES TRACT 5
P.M. 18-001, DDC#2019000295 (019-140-049 & 050)

Note: This map is prepared for the use of the Mono County Assessor. It is not intended to be used for any other purpose. The accuracy of the area shown herein is not guaranteed.

Revised By: S. Robinson	Created:	Revised:
Mono County, California	1988	12/1/2011

UNINCORPORATED AREA
Book 16, Page 14
County of Mono, California
Assessor's Office
Assessor's Office
Assessor's Office



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PRIVACY POLICY

WE ARE COMMITTED TO SAFEGUARDING CUSTOMER INFORMATION

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, we have adopted this privacy policy to govern the use and handling of your personal information.

APPLICABILITY

This privacy policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity.

TYPES OF INFORMATION

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

USE OF INFORMATION

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as required by law.

FORMER CUSTOMERS

Even if you are no longer our customer, our privacy policy will continue to apply to you.

CONFIDENTIALITY AND SECURITY

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this privacy policy. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.



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WIRE FRAUD ALERT

Inquire before you wire!

This Notice is not intended to provide legal or professional advice.
If you have any questions, please consult with a lawyer.

All parties to a real estate transaction are targets for wire fraud and many have lost hundreds of thousands of dollars because they simply relied on the wire instructions received via email, without further verification. **If funds are to be wired in conjunction with this real estate transaction, we strongly recommend verbal verification of wire instructions through a known, trusted phone number prior to wiring funds.**

In addition, the following non-exclusive self-protection strategies are recommended to minimize exposure to possible wire fraud.

- **NEVER RELY** on emails purporting to change wire instructions. Parties to a transaction rarely change wire instructions in the course of a transaction.
- **ALWAYS VERIFY** wire instructions, specifically the ABA routing number and account number, by calling the party who sent the instructions to you. **DO NOT** use the phone number provided in the email containing the instructions, use phone numbers you have called or can otherwise verify. Obtain the number of relevant parties to the transaction as soon as an escrow account is opened. **DO NOT** send an email to verify as the email address may be incorrect or the email may be intercepted by the fraudster.
- **USE COMPLEX EMAIL PASSWORDS** that employ a combination of mixed case, numbers and symbols. Make your passwords greater than eight (8) characters. Also, change your password often and do **NOT** reuse the same password for other online accounts.
- **USE MULTI-FACTOR AUTHENTICATION** for email accounts. Your email provider or IT staff may have specific instructions on how to implement this feature.

For more information on wire-fraud scams or to report an incident, please refer to the following links:

ATTACHMENT ONE

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990 (11-09-18) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE
EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1% of Policy Amount shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1% of Policy Amount shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1% of Policy Amount shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1% of Policy Amount shown in Schedule A or \$2,500.00 (whichever is less)	\$5,000.00

2006 ALTA LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land;
 - (iv) environmental protection;

Attachment One

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or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

Except as provided in Schedule B - Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

PART I

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.
7. Variable exceptions such as taxes, easements, CC&R's, etc., shown here.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

**2006 ALTA OWNER'S POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records at Date of Policy.
7. Variable exceptions such as taxes, easements, CC&R's, etc., shown here.

Attachment One

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ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY - ASSESSMENTS PRIORITY (04-02-15)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land;
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.