



## PRELIMINARY REPORT

In response to the application for Fidelity National Title Insurance, the Company hereby reports that it is prepared to issue, or cause to be issued, a policy of title insurance describing the land and the estate or interest therein. No defect, lien or encumbrance may be sustained by reason of any defect, lien or encumbrance which is not excluded from coverage pursuant to the printed Schedule B of the policy forms.

The printed Exceptions and Exclusions from the coverage of the policy forms are set forth in Attachment One. The policy is issued for the Amount of Insurance is less than that set forth in the policy forms. The policy is issued at the option of either the Company or the Insured as the policy form indicates. The Risks applicable to the CLTA and ALTA Homeowner's Policy forms are set forth in the policy forms. The Amount and a Maximum Dollar Limit of Liability for certain coverages are set forth in the policy forms. The policy forms should be read. They are available at the Company's office.

This report (and any supplements or amendments hereto) is issued in connection with the issuance of a policy of title insurance and no liability is assumed by the Company prior to the issuance of a policy of title insurance, a copy of which will be furnished to the insured.

The policy(ies) of title insurance is (are) issued by Fidelity National Title Insurance Company, a corporation.

Please read the exceptions shown or referred to herein in Attachment One of this report carefully. The exception notice of matters which are not covered under the terms of the policy is carefully considered.

It is important to note that this preliminary report is not a guarantee of title and may not list all liens, defects and encumbrances affecting the property.

Fidelity National Title Insurance Company  
By:

Michael J. Nolan, President

Countersigned By:

Christie Clemons  
Authorized Officer or Agent



Attest:

Marjorie Nemzura, Secretary

Visit Us on [www.fidelity.com](http://www.fidelity.com)



## Fidelity National Title Company

ISSUING OFFICE Monterey, San Luis Obispo, CA 93401

FOR SETTLEMENT INQUIRIES, CONTACT:  
Fidelity National Title Company  
130 West Branch Street, San Diego, CA 93420  
(805) 474-1800 (805) 474-9215

Another Prompt Delivery From a Fidelity Company  
Where Local Experience And Expertise Make A Difference

### PRELIMINARY REPORT

Title Office Benson  
Email: [benson@fnf.com](mailto:benson@fnf.com)  
Title FSLC: 022610017 - RB

Escrow Office: Burke  
Email: [Darlene.Burke@fnf.com](mailto:Darlene.Burke@fnf.com)  
Escrow FSLC: 022610017

TOLPT Realty, Inc.  
10620 Trenea St. Ste. 230  
San Diego, CA 92131  
Attn: Holly Tibbles

PROPERTY ADDRESS: 1591 S. Avenida Arco, Encinitas, CA 92026

EFFECTIVE DATE: September 10, 2007

The form of policy or policies of title insurance contemplated by this report is as follows:

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED BY THIS REPORT IS:

A Fee as to Parcel(s) 1

Easement(s) more fully described below as to Parcel(s) 1

2. TITLE TO SAID ESTATE OR INTEREST VESTED THEN DATE HEREOF IS

James I. Efird and Jeanette L. Efird, Trustees of The Trust of 11, 2002

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A"  
Legal Description

For APN / Parcel 0760541 : 030

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 3 TRACT NO. 1817 IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, TO MAP RECORDED MAY BOOK 1699, PAGE 23, 1999 BOOK 17, PAGE 23, 1999.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST IN ALL TO HYDROCARBONS ON, IN AND UNDER SAID PROPERTY, BUT WITHOUT FOR THE PURPOSE OF EXPLORING FOR, MINING FOR, OR PRODUCING AS RESERVED IN THE DEED FROM LUIGI MARRE LAND AND CATTLE DECEMBER 14 BOOK 6141, PAGE 25 OFFICIAL RECORDS.

PARCEL 2:

AN EASEMENT FOR YARD PURPOSES OVER THAT PORTION OF LOTS YARD EASEMENT ON TRACT NO. 1817 IN THE COUNTY OF SAN LUIS OBISPO, CALIFORNIA, ACCORDING TO MAP RECORDED MAY BOOK 1699, PAGE 23, 1999 BOOK 17, PAGE 23, 1999.

AT THE DATE HEREOF, EXCEPTIONS TO COVERAGE IN ADDITION TO  
EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. Property taxes, including any personal property taxes  
follows:

Code Area: 112-030  
Tax Identification - 030 :  
Fiscal Year 2026-2027  
1st Installment \$407.20 Open  
2nd Installment \$407.20 Open  
Exemption: \$7,000.00  
Land: \$457,373.00  
Improvements \$275,727.00  
Personal Property:

Prior to close of escrow, please contact the Tax Collector for  
current fiscal year taxes, supplemental taxes, escaped

2. The lien of supplemental or escaped assessments of property  
provisions of Chapter 3.5 (commencing with Section 7000  
respectively, of the Revenue and Taxation Code of the State  
to the vestee named in Schedule A or as a result of  
prior to Date of Policy.

3. All taxes or assessments approved, levied or enacted by  
similar taxing authority, which are not yet due and payable  
increases in taxes or assessments resulting from any  
the State, County, Municipality, Township, or other

Any possible charges or assessments for water bills,  
which may exist, but have not yet been recorded and/or

4. Water rights, claims or title to water, whether or not
5. Easement(s) for the purpose(s) shown below and right

Granted to Sunset Telephone and Telegraph Company  
Purpose: Pole lines  
Recording Number 11, 1903  
Recording Book: 62, Page 136  
Affects: A portion of said land

EXCEPTIONS  
(continued)

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EXCEPTIONS  
(continued)

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EXCEPTIONS  
( c o n t i n u e d )

EXCEPTIONS  
(continued)

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EXCEPTIONS  
(continued)

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END OF EXCEPTIONS

## NOTES

- No t1e. Notice: Please be aware that due to the conflict between cultivation, distribution, manufacture or sale of marijuana any transaction involving Land that is associated with this transaction.
- No t2e. Pursuant to Government Code Section 27388.1, as amended, a Documentary Transfer Tax (DTT) Affidavit may be required on any document when DTT is being paid or when an exemption is claimed. If a governmental agency is a party to the document, the affidavit is not available at a Tax Assessor-County Clerk-Recorder.
- No t3e. Note: The name(s) of the proposed insured(s) furnished with this application. Please provide names if possible.
- No t4e. Note: The Company is not aware of any matters which would require an Endorsement Form 116 indicating that there is located on the Land a planned unit development, known as 2191 Canvasback. Extended Coverage Loan Policy.
- No t5e. Note: There are NO conveyances affecting said Land recorded in connection with this transaction.
- No t6e. The application for title insurance was placed by the insured. The proposed Insured must confirm that the parcel(s) of Land requested to be insured. If the Insured must notify the Company and/or the settlement company that the legal description for the intended parcel(s) is recorded in connection with this transaction and on the title insurance policy.
- No t7e. If a county recorder, title insurance company, escrow agent or other party provides a copy of the declaration, governing document that the document provided shall include a statement that the document is to be in at least 14-point bold faced type. The document provided or included as a cover page attached to this transaction request a copy of any document reported to be included in the manner described.
- No t8e. Any documents being executed in conjunction with this transaction by an authorized Company employee, an authorized employee of the insured lender, or by using Bancserv or other approved method cannot be met, please call the company at the number provided.

NOTES  
(continued)

Note. The following Exclusion(s) are added to preliminary endorsement in the following policies

A. 2006 ALTA Owner's Policy (06-17-06).

6. Defects, liens, encumbrances, adverse claim appearing in the Public Records but that would be maintained by or on behalf of a Tribe or on behalf

B. 2006 ALTA Loan Policy (06-17-06).

8. Defects, liens, encumbrances, adverse claim appearing in the Public Records but that would be maintained by or on behalf of a Tribe or on behalf

9. Any claim of invalidity, unenforceability, Mortgage based on the application of a Tribe's law specify State law as the governing law with respect

C. ALTA Homeowner's Policy of Title Insurance Policy of Title Insurance (12-02-13).

10. Defects, liens, encumbrances, adverse claim appearing in the Public Records but that would be maintained by or on behalf of a Tribe or on behalf

D. ALTA Expanded Coverage Residential Loan Policy (04-02-15).

12. Defects, liens, encumbrances, adverse claim appearing in the Public Records but that would be maintained by or on behalf of a Tribe or on behalf

13. Any claim of invalidity, unenforceability, Mortgage based on the application of a Tribe's law specify State law as the governing law with respect

E. ALTA Expanded Coverage Residential Loan Policy (04-02-15).

7. Defects, liens, encumbrances, adverse claim appearing in the public records but that would be maintained by or on behalf of a tribe or on behalf

8. Any claim of invalidity, unenforceability, mortgage based on the application of a tribe's law specify state law as the governing law with respect

END OF NOTES



Inquire before you wire!

## WIRE FRAUD ALERT

This Notice is not intended to provide legal or financial advice. If you have any questions, please consult with your attorney.

All parties to a real estate transaction are targets for wire fraud because they simply relied on the wire instructions. If you are to be wired in conjunction with this real estate transaction, please confirm the wire instructions through a known, trusted phone number.

In addition, the following non-exclusive self-protection steps may help prevent possible wire fraud.

**NEVER RELY** on emails purporting to change wire instructions in the course of a transaction.

**ALWAYS VERIFY** the wire instructions, specifically the ABA routing number, with the party who sent the instructions to you. DO NOT use the wire instructions, use phone numbers you have already verified with relevant parties to the transaction as DO NOT assume an email address is correct as the email address may be incorrect or the email may be spoofed.

**USE COMPLEX EMAIL PASSWORDS** by a combination of mixed upper and lower case letters, numbers and symbols. Make your passwords greater than eight (8) characters. Do not use the same password for other online accounts.

**USE MULTI-FACTOR AUTHENTICATION** on all accounts. Your email provider may have specific instructions on how to implement this feature.

**CONFIRM RECEIPTS** directly with settlement company using a known, trusted phone number.

For more information on wire-fraud scams or to report an incident, contact the

Federal Bureau of Investigation or Internet Crime Complaint Center at  
<http://www.fbi.gov> or <http://www.ic3.gov>

## FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Effective January 1, 2026

Fidelity National Financial, Inc. and its majority-owned subsidiaries respect and are committed to protecting your privacy. We will protect personal information, when and to whom we disclose it, and the use and disclosure of that information.

A limited number of FNF subsidiaries have their own privacy notices. Each subsidiary's privacy notice will be available on the subsidiary's website.

### Collection of Personal Information

FNF may collect the following categories of Personal Information: contact information (e.g., name, address, phone number, email address); demographic information (e.g., date of birth, gender, marital status); identity information (e.g., Social Security Number, driver's license, financial account information, and bank account information); biometric data (e.g., fingerprints, retina or iris scans); and other personal information necessary to provide products and services.

We may collect Personal Information about you from:

- information we receive from you or your agent;
- information about your transactions with FNF, our affiliates, or subsidiaries;
- information we receive from consumer reporting agencies; and
- information from these entities or through others.

### Collection of Device and Browsing Information

FNF automatically collects the following categories of information when you use our website, online service, or application (each an "FNF Website"): Internet Protocol (IP) address and operating system; browser information, such as version, language, and type; device type and operating system; domain name system requests; and browsing history on the FNF Website, such as date and time of visits and pages within the FNF Website.

Like most websites, our servers automatically log each visit. We use the information described above. We use Browsing Information for security, investigation, and to improve our websites. Browsing Information may be used to identify you, though if you have created a user account for an FNF Website, the FNF Website may be able to link certain browsing activities to your account.

### Other Online Specifics

Website Analytics We use Google Analytics to understand how visitors use our website. Google Analytics may collect information such as your IP address, browser type, and to personalize your browsing experience on our website. If you are using your browser, you can install the Google Analytics browser add-on to opt out of tracking.

Cookies When you visit an FNF Website, a "cookie" may be stored on your device. A cookie is a small data file that is sent to your Internet browser from a web server. The information gathered using cookies helps us improve your user experience, ensure our website is working properly or can customize the display page based on your preferences. You can choose whether or not to accept cookies by changing your Internet browser settings or limit some functionality of the FNF Website.

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### Use of Personal Information

FNF uses Personal Information for these main purposes:

- To provide products and services to you or in connection with them;
- To improve our products and services;
- To prevent and detect fraud;
- To maintain the security of our systems, tools, accounts, and services;
- To verify and authenticate identities and credentials;
- To communicate with you about our, and our affiliates', products and services;
- To provide reviews and testimonials about our services.

### When Information Is Disclosed

We may disclose the categories of Personal Information for the following purposes:

- to enable us to detect or prevent criminal activity, fraud, or other illegal activity;
- to affiliated or nonaffiliated service providers who process information on our behalf;
- who agree to use the information only to provide such services;
- to affiliated or nonaffiliated third parties with whom we have entered into an agreement to jointly market financial products or services;
- to law enforcement or authorities in connection with a criminal investigation or order; or
- in the good-faith belief that such disclosure is necessary to protect the rights, property, or safety of FNF, its customers, or the public.

The law does not require your prior authorization and consent for the disclosures listed above. Additionally, we may disclose your information to third parties without your consent to make such disclosure. We do not otherwise share your information with nonaffiliated third parties, except as required or permitted by law.

We reserve the right to transfer your Personal Information in connection with the sale or other disposition of all or substantially all of our assets, including in connection with a merger, acquisition, bankruptcy, reorganization, insolvency, receivership, or liquidation. We may also transfer your Personal Information and/or Browsing Information to FNF or its affiliates for the purpose of the foregoing information in connection with the foregoing information.

### Security of Your Information

We maintain physical, electronic, and procedural safeguards to protect your Personal Information.

### Choices With Your Information

Whether you submit Personal Information or Browsing Information, you may choose to opt out of receiving certain communications from us. You may also choose to opt out of receiving certain communications from us. You may also choose to opt out of receiving certain communications from us.

### State-Specific Consumer Privacy Information

For additional information about your state-specific consumer privacy rights, or to appeal a previous privacy decision, please contact us at [Privacy@fnf.com](mailto:Privacy@fnf.com) or call us at (888) 714-2710.

FNF affiliates and subsidiaries;  
Non-affiliated third parties, with your consent;  
Businesses in connection with the sale or other dispos  
Service providers;  
Law enforcement or authorities in connection with an  
order.

For California: We do not share your Personal Information with third parties, except as permitted by California law. For more information, please visit the "California Privacy Notice" on our website.

For Nevada: We do not share your Personal Information with third parties, except as permitted by Nevada law. For more information, please visit the "Nevada Privacy Notice" on our website. Not Call List by calling FNF Privacy at (888) 714-2710 or by visiting this Privacy Notice. For further information concerning the Nevada Attorney General's Bureau of Consumer Protection, Office of the Nevada Attorney General, Las Vegas, NV 89101; Phone number (702) 486-3132, or email [ambiguir@nvc.state.nv.us](mailto:ambiguir@nvc.state.nv.us)

For Oregon: We do not share your Personal Information with third parties for marketing purposes, except after you have provided an opportunity to indicate that you do not want a disclosure of your information about your Oregon consumer privacy rights, or to make a request, please email [privacy@fnf.com](mailto:privacy@fnf.com) or call (888) 714-2710

FNF is the controller of the following businesses registered in the State of Oregon: Chicago Title Company of Oregon, Fidelity National Title Insurance Company, Title Company of Oregon, Western Title & Escrow Company, Commonwealth Land Title Insurance Company, Liberty Title & Escrow, Novare National Settlement Services, Fidelity & Guaranty Life, Insurance Agency, Fidelity National Management Services, Fidelity Residential Solutions, FNF IPEX, Mission Servicing Residential, National Residential Title Insurance of New York, National Link Valuation Management Company, ServiceLink Services, ServiceLink Solutions, Western Title & Escrow Company

For Vermont: We do not share your Personal Information with third parties for marketing purposes, except after you have provided an opportunity to indicate that you do not want a disclosure of your information about your Vermont consumer privacy rights, or to make a request, please email [privacy@fnf.com](mailto:privacy@fnf.com) or call (888) 714-2710. We do not disclose information about you to third parties to market to you, other than as permitted by Vermont law.

#### Information From Children

The FNF Websites are not intended or designed to attract children under the age of 13, and we do not collect Personal Information from any person that we know is under 13 years of age from a parent or guardian.

#### International Users

FNF's headquarters is located within the United States. If you are located outside of your country of residence, please be aware that we may transfer your Personal Information to our servers located outside of your country of residence. By providing Personal Information, you consent to our collection, transfer, and use of your information as described in this Notice.

#### FNF Website Services for Mortgage Loans

Certain FNF companies provide services to mortgage loan customers. These services may contain links to both this Privacy Notice and the mortgage loan servicer's privacy policy. For more information, please visit this Privacy Notice titled When Information is Disclosed

Your Consent to this Privacy Notice; Notice Changes

By submitting Personal Information and/or Browsing Information, you consent to the information in accordance with this Privacy Notice. Privacy Notice's effective date will show the last date following any change of the Privacy Notice, that signifies a new Privacy Notice.

Accessing and Correcting Information; Contact Us

If you have questions or would like to review, update, or delete your Personal Information, please contact us by phone at (888) 844-4270, by email at [privacy@fidelity.com](mailto:privacy@fidelity.com), or by mail at:

Fidelity National Financial, Inc.  
601 Riverside Avenue,  
Jacksonville, Florida 32204  
Attn: Chief Privacy Officer

## 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 fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not restricting, regulating, prohibiting or relating (i) the occupancy, location of any improvement now or hereafter erected on the land; area of the land or any parcel of which the land is or was a part) or these laws, ordinances or governmental regulations, except to the extent of a defect, lien, or encumbrance resulting from a violation or alleged violation at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent of a defect, lien or encumbrance resulting from a violation or alleged violation at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been given, excluding from coverage any taking which has occurred prior to Date of Policy without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:  
(a) whether or not recorded in the public records at Date of Policy, claimant;  
(b) not known to the Company, not recorded in the public records at Date of Policy, disclosed in writing to the Company by the insured claimant prior to Date of 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 policy had been in force for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the failure of any subsequent owner of the indebtedness, to comply with the terms of the mortgage situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, insured mortgage and is based upon usury or any consumer credit protection law.
6. Any claim, which arises out of the transaction vesting in the insured lender, creating the interest of the insured lender, by reason of the operation of the laws.

#### EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART 1

This policy does not insure against loss or damage (and the Company will not pay) by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of the real property or by the public records.  
Proceedings by a public agency which may result in taxes or assessments 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 records 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 records of the land.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents; (c) claims or title to water, whether or not the matters excepted under (a) or (b) are shown by the public records.
6. Any lien or right to a lien for services, labor or material unless the lien is shown by the public records.

#### EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART 2

(Variable exceptions such as taxes, easements, CC&R's, etc.)

## ATTACHMENT ONE (CONTINUED)

### CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE OWNER'S POLICY (02-04-22) EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy, expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including prohibits, or relates to:
    - i. the occupancy, use, or enjoyment of the Land;
    - ii. the character, dimensions, or location of any improvement on the Land;
    - iii. the subdivision of land; or
    - iv. environmental remediation or protection.
  - b. any governmental forfeiture, police, regulatory, or national security matter;
  - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1 does not modify or limit the coverage provided under Coverage 1.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Coverage 1.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
    - a. created, suffered, assumed, or agreed to by the Insured Claimant;
    - b. not known to the Company, not recorded in the Public Records at the time of the transaction, and not disclosed in writing to the Company by the Insured Claimant prior to the transaction;
    - c. resulting in no loss or damage to the Insured Claimant;
    - d. attaching or created subsequent to the Date of Policy (Exclusion Risk 9 or 10); or
    - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had been given for the Title Insurance Schedule A as a bona fide purchaser had been given for the Title Insurance Schedule A.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or other law, that the Title as shown in Schedule A is a:
    - a. fraudulent conveyance or fraudulent transfer;
    - b. voidable transfer under the Uniform Voidable Transactions Act; or
    - c. preferential transfer:
      - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is an exchange for new value; or
      - ii. for any other reason not stated in Covered Risk 9.b.
5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Coverage 1.
6. Any lien on the Title for real estate taxes or assessments imposed payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Coverage 1.
7. Any discrepancy in the quantity of the area, square footage, or acreage.

### EXCEPTIONS FROM COVERAGE

Some historical land records contain Discriminatory Covenants that are not removed, and not republished or recirculated. Only the remaining provisions of this policy do not insure against loss or damage and the Company will not issue a policy with any exceptions of any lease or easement identified in Schedule A, and any other exceptions.

#### PART I

1. (a) Taxes or assessments that are not shown as existing liens by the Public Records; (b) proceedings by a public agency or public body, whether or not shown by the records of such agency or public body.
2. Any facts, rights, interests, or claims that are not shown by the Public Records, whether or not shown by the records of such agency or public body.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records, whether or not shown by the records of such agency or public body.
4. Any encroachment, encumbrance, violation, variation, easement, or other matter, not shown by the Public Records, whether or not shown by the records of such agency or public body.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents, whether or not shown by the Public Records, whether or not shown by the records of such agency or public body.
6. Any lien or right to a lien for services, labor, material or equipment, whether or not shown by the Public Records, whether or not shown by the records of such agency or public body.
7. Any claim to (a) ownership of or rights to minerals and similar substances, whether or not shown by the Public Records, whether or not shown by the records of such agency or public body.

#### PART II

(Variable exceptions such as taxes, easements, CC&R's, etc.)

ATTACHMENT ONE  
(CONTINUED)

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE  
EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy and that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including prohibits, or relates to:
    - i. the occupancy, use, or enjoyment of the Land;
    - ii. the character, dimensions, or location of any improvement on the Land;
    - iii. the subdivision of land; or
    - iv. environmental remediation or protection.
  - b. any governmental forfeiture, police, or regulatory, or national security matter;
  - c. the effect of a violation or enforcement of any matter excluded under Covered Risk 1. Exclusion 1 does not modify or limit the coverage provided under Covered Risk 1.
2. Any power to take the Land by condemnation. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 1.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
    - a. created, suffered, assumed, or agreed to by You;
    - b. not Known to Us, not recorded in the Public Records at the Date of Policy, or not known to You prior to the date You became an Insured under this policy;
    - c. resulting in no loss or damage to You;
    - d. attaching or created subsequent to the Date of Policy (Exclusion 3 does not modify or limit the coverage provided under Covered Risk 5, 8.f., 25, 26, 27, 28, or 32); or
    - e. resulting in loss or damage that would not have been sustained if the matter had been known to the purchaser of the Title at the Date of Policy.
4. Lack of a right:
    - a. to any land outside the area specifically described and referred to in the Title Commitment;
    - b. in any street, road, avenue, alley, lane, right-of-way, body of water, or other area.Exclusion 4 does not modify or limit the coverage provided under Covered Risk 1.
5. The failure of Your existing structures, or any portion of Your existing structures, to conform to applicable building codes. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 14 or 15.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or other law, to You is a:
    - a. fraudulent conveyance or fraudulent transfer;
    - b. voidable transfer under the Uniform Voidable Transactions Act; or
    - c. preferential transfer:
      - i. to the extent the instrument of transfer vesting the Title as security for a loan is an exchange for new value; or
      - ii. for any other reason not stated in Covered Risk 30.
7. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or other event.
8. Negligence by a person or an entity exercising a right to extract or use a substance.
9. Any lien on Your Title for real estate taxes or assessments, imposed by a governmental entity, payable after the Date of Policy. Exclusion 9 does not modify or limit the coverage provided under Covered Risk 1.
10. Any discrepancy in the quantity of the area, square footage, or acreage.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the basis of the Deductible Amount and the Maximum Dollar Limit shown in Schedule A. For Covered Risk 16, 18, 19 and 21 Your Deductible Amount and Maximum Dollar Limit are the same as the Deductible Amount and Maximum Dollar Limit shown in Schedule A.

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

|                                | <u>Your Deductible Amount</u>                                | <u>Our Maximum Dollar Limit</u> |
|--------------------------------|--------------------------------------------------------------|---------------------------------|
| Covered Risk 16, 18, 19 and 21 | 10% of Policy Amount Shown in Schedule A (whichever is less) | \$2,500.00                      |
| Covered Risk 20                | 10% of Policy Amount Shown in Schedule A (whichever is less) | \$5,000.00                      |
| Covered Risk 22                | 10% of Policy Amount Shown in Schedule A (whichever is less) | \$5,000.00                      |
| Covered Risk 23                | 10% of Policy Amount Shown in Schedule A (whichever is less) | \$2,500.00                      |

ATTACHMENT ONE  
(CONTINUED)

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE  
EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against

1. Governmental police power, and the existence or violation of those powers:
  - 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 14.

2. The failure of Your existing structures, or any part of them, to conform to applicable laws.
3. The failure of Your existing structures, or any part of them, to conform to applicable laws.
4. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 14.
5. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they are known to You at the Policy Date, but not to Us, unless they result in no loss to You; or
  - b. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 14.

6. Failure to pay value for Your Title.

7. Lack of a right:

- a. to any land outside the area specifically described and referred to in the policy;
- b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 14.

8. The transfer of the Title to You is invalid as a preferential transfer under applicable laws, including state insolvency, or similar creditors' rights laws.
9. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or other physical causes.
10. Negligence by a person or an Entity exercising a right to extract or use minerals or other substances from the Land.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the basis of the deductible amount and the maximum dollar limit shown in Schedule A. For Covered Risk 16, 18, 19 and 21, Your Deductible Amount is the lesser of the amount of the Covered Risk or the Liability shown in Schedule A.

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

|                                                                           | <u>Your Deductible Amount</u> | <u>Our Maximum Dollar Limit</u> |
|---------------------------------------------------------------------------|-------------------------------|---------------------------------|
| Covered Risk 14: of Policy Amount Shown in Schedule B (whichever is less) | \$k000                        | \$2,500                         |
| Covered Risk 15: of Policy Amount Shown in Schedule B (whichever is less) | \$k000                        | \$5,000                         |
| Covered Risk 16: of Policy Amount Shown in Schedule B (whichever is less) | \$k000                        | \$5,000                         |
| Covered Risk 17: of Policy Amount Shown in Schedule B (whichever is less) | \$k000                        | \$2,500                         |

ATTACHMENT ONE  
(CONTINUED)

## ALTA OWNER'S POLICY (07-01-2021)

## EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy, expenses that arise by reason of:

1. a. any law, ordinance, permit, or governmental regulation (including prohibits, or relates to:
    - i. the occupancy, use, or enjoyment of the Land;
    - ii. the character, dimensions, or location of any improvement on the Land;
    - iii. the subdivision of land; or
    - iv. environmental remediation or protection.
  - b. any governmental forfeiture, police, regulatory, or national security matter;
  - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1 does not modify or limit the coverage provided under Covered Risk 9.
- Exclusion 1 does not modify or limit the coverage provided under Covered Risk 9.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 9.
  3. Any defect, lien, encumbrance, adverse claim, or other matter:
    - a. created, suffered, assumed, or agreed to by the Insured Claimant;
    - b. not Known to the Company, not recorded in the Public Records at the time of the transaction, and not disclosed in writing to the Company by the Insured Claimant prior to the transaction;
    - c. resulting in no loss or damage to the Insured Claimant;
    - d. attaching or created subsequent to the Date of Policy (Exclusion 3 does not modify or limit the coverage provided under Covered Risk 9 or 10); or
    - e. resulting in loss or damage that would not have been sustained had the Insured Claimant been given for the Title Insurance Schedule A as a bona fide purchaser had been given for the Title Insurance Schedule A.
  4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or other law, that the Title as shown in Schedule A is a:
    - a. fraudulent conveyance or fraudulent transfer;
    - b. voidable transfer under the Uniform Voidable Transactions Act; or
    - c. preferential transfer:
      - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is exchanged for new value; or
      - ii. for any other reason not stated in Covered Risk 9.b.
  5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 9.
  6. Any lien on the Title for real estate taxes or assessments, imposed by a governmental entity, payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 9.
  7. Any discrepancy in the quantity of the area, square footage, or acreage shown in Schedule A and the actual area, square footage, or acreage.

## EXCEPTIONS FROM COVERAGE

Some historical land records contain Discriminatory Covenants that are Discriminatory Covenant in a document referenced in Schedule B as if removed, and not republished or recirculated. Only the remaining provisions

This policy does not insure against loss or damage and the Company will not be responsible for the loss or damage to the property or the contents of the property under the terms and conditions of any lease or easement identified in Schedule A, and

NOTE: The 2021 ALTA Owner's Policy may be issued to afford either S exceptions such as taxes, easements, CC&R's, etc., the Exceptions fr Western Regional Standard Coverage Exceptions listed as 1 through 7 be

1. (a) Taxes or assessments that are not shown as existing liens by the real property or by the Public Records; (b) proceedings by a public proceedings, whether or not shown by the records of such agency or land.
2. Any facts, rights, interests, or claims that are not shown by the Public inspection of the Land or (b) asserted by persons or parties in possession.
3. Easements, liens or encumbrances, or claims thereof, not shown by the
4. Any encroachment, encumbrance, violation, variation, easement, or a an accurate and complete land survey of the Land and not shown by the
5. (a) Unpatented mining claims; (b) reservations or exceptions in public claims or title to water, whether or not the matters excepted under
6. Any lien or right to a lien for services, labor, material or equipment.
7. Any claim to (a) ownership of or rights to minerals and similar substances uranium, clay, rock, sand, and gravel located in, on, or under the arise by lease, grant, exception, conveyance, reservation, or other easements associated therewith or appurtenant thereto, whether or not Records or are shown in Schedule B.

ATTACHMENT ONE  
(CONTINUED)

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, including attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including 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; or the coverage provided under Covered Risk 5.
  - (b) Any governmental police power. This Exclusion 1(b) does not modify the coverage provided under Covered Risk 5.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 5.
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 the time of the loss, or disclosed in writing to the Company by the Insured Claimant prior to the loss;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this includes Covered Risks 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the matter had been known to the Insured Claimant at the time of the loss.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or receivership laws, is:
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 5.
5. Any lien on the Title for real estate taxes or assessments imposed by a governmental authority prior to the date of recording of the deed or other instrument shown in Schedule A.

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay for loss or damage, except as provided in the policy.

NOTE: The 2006 ALTA Owner's Policy may be issued to afford either Standard or Western Regional Standard Coverage Exceptions listed below as 1 through 7.

1. (a) Taxes or assessments that are not shown as existing liens by the Public Records; (b) proceedings by a public agency or authority, whether or not shown by the records of such agency or authority.
2. Any facts, rights, interests, or claims that are not shown by the Public Records, or (b) asserted by persons or parties in possession of the Land, or (b) asserted by persons or parties 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, easement, or other matter shown 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, claims or title to water, whether or not the matters excepted under the policy.
6. Any lien or right to a lien for services, labor, material or equipment.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including uranium, clay, rock, sand, and gravel located in, on, or under the Land, or (b) arise by lease, grant, exception, conveyance, reservation, or other means, or easements associated therewith or appurtenant thereto, whether or not shown in the Public Records or are shown in Schedule B.

## Notice of Available

FNF Underwritten Title Company Underwritten by FNF Underwritten  
CTC - Chicago Title Company CTIC - Chicago Title Insurance  
CLTC - Commonwealth Land Title Company CLTIC - Commonwealth Land Title Insurance  
FNTC - Fidelity National Title Company FNTIC - Fidelity National Title Insurance  
FNTCCA - Fidelity National Title Company FNTICCA - Fidelity National Title Insurance  
TICOR - Ticor Title Company of California  
LTC - Lawyer's Title Company  
SLTC - ServiceLink Title Company

### Available Discounts

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (CTIC, CLTIC, FNTIC, NTINY)  
On properties used as a church or for charitable purpose provided said charge is normally the church's obligation (50%) to seventy percent (70%) of the appropriate title selected. The charge for a lender's policy shall be for insurance rate, depending on the type of coverage selected.

DISASTER AREA TRANSACTIONS (CTIC, CLTIC, FNTIC, NTINY)  
This rate is available for individuals or entities that used for a Lender's Policy (Standard or Extended), or a To qualify for this rate, the applicant must, prior to request, including a statement meeting the following criteria:

A. The subject property is in a disaster area declared by California.

B. The subject property was substantially or totally destroyed.

C. The subject property ownership has not changed since the disaster.

The rate will be fifty percent (50%) of the applicable months of the date of the declaration of the disaster.

## Notice of Available Discounts (continued)

### DISASTER AREA ESCROWS (CTC, CLTC, FNTC, TICOR, LTC)

This rate is available for individuals or entities that used for a loan or a sale escrow transaction. To qualify for applicable transaction, make a written request, including:

A. The subject property is in a disaster area declared by the State of California.

B. The subject property was substantially or totally destroyed.

C. The subject property ownership has not changed since the disaster.

The rate will be fifty percent (50%) of the applicable rate for the first 12 months of the date of the declaration of the disaster. No other discounts or special rates, or combinations thereof, shall apply. Applies to a single transaction per property.

This rate is applicable to the following Zones/Counties:

Zone 1.A: Orange County

Zone 1.B: Riverside and San Bernardino Counties

Zone 2: Los Angeles County

Zone 3: Ventura County

Zone 10: San Diego County

Zone 12: Imperial County

If used for a sale transaction, the application of this rate for Real Estate Services (RSES) fee will be split evenly between buyer and seller. If applicable RSES will be split between the disaster victim and the seller, one half (1/2) of the calculated applicable RSES fee, regardless of the RSES fee (as is customary) or paying the entire fee for the benefit of disaster victims' one half (1/2) portion only and seller's portion. Additional services will be charged at the normal rates.

### MILITARY DISCOUNT RATE (CTIC, CLTIC, FNTIC)

Upon the Company being advised in writing and prior to the transaction, an honorably separated, or retired member of the United States Armed Forces acquiring or selling an owner occupied one-to-four family residence, applicable, will be entitled to a discount equal to fifty percent of the applicable rate. Minimum discount is \$425.00.

The Company may require proof of eligibility from the purchaser. No other discounts or special rates shall be applicable.