



**Orange Coast Title Company of Southern California -
Inland Empire Division**

1845 Business Center Drive, Suite 218
San Bernardino, CA 92408
909-825-8800

Order No. 210-1728029-02

PRELIMINARY REPORT

SAN BERNARDINO COUNTY SHERRIF-CORONER, CORONER DIV
175 SOUTH LENA ROAD
San Bernardino, CA 92415

Attention: ERICA NEVARES
Property address: 10640 JAMUL ROAD, Apple Valley, CA 92308

Your no.: BARBEE
Order no.: 210-1728029-02

Dated: February 9, 2016

In response to the above referenced application for a policy of title insurance, **Orange Coast Title Company of Southern California - Inland Empire Division** 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 Exhibit B 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 Exhibit B. 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 B 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 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.

Dated as of January 29, 2016 at 7:30 AM

Susan Garcia, Title Officer
Ph: 909-825-8800
Email: susang@octitle.com

The form of policy of title insurance contemplated by this report is:

A.L.T.A Homeowner's Policy (2/03/10) A.L.T.A. Loan Policy (06-17-06) with A.L.T.A. Endorsement - Form 1 Coverage

Schedule "A"

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

A Fee

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

Martha M. Barbee, an unmarried woman

The land referred to in this report is situated in the County of San Bernardino, State of California, and is described as follows:

Lot 436, Tract No. 5780, Circle "M" Rancho Unit No. 4, in the County of San Bernardino, State of California, as per Plat recorded in Book 71 of Maps, Page(s) 27 through 31, inclusive, records of said County.

Excepting therefrom an undivided 1/2 interest in and to all oil, gas, and minerals lying and being more than 500 feet below the respective surface elevations of the above described property; provided, however, that such excepted ownership of such 1/2 interest in and to such oil, gas and minerals does not include and shall not be construed to include any right of entry upon any part of the herein described property for the purpose of exploration, development, drilling, storage or other activity ancillary to the removal of such oil, gas or minerals, as reserved in deeds of record.

Assessor's Parcel Numbers(s): 434-236-09

Schedule "B"

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

1 General and Special taxes for the fiscal year 2016-2017, including any assessments collected with taxes. A lien not yet payable.

First installment due and payable November 1, 2016, delinquent if not paid by 12/10/16
Second installment due and payable February 1, 2017, delinquent if not paid by 4/10/17

2 General and Special taxes for the fiscal year 2015-2016, including any assessments collected with current taxes.

Table with 2 columns: Description and Amount. Rows include Total amount (\$2,344.80), 1st installment (\$1,172.42), Penalty (\$117.24), 2nd installment (\$1,172.38), Penalty (\$127.24), Code area (021075- Town of Apple Valley), Parcel No. (0434-236-09-0-000), and Exemption (\$7,000.00).

3 Assessments and other matters as contained in documents entitled "Payment of Contractual Assessment Required", recorded 3/6/2014, as document No. 2014-84187 and one entitled "Notice of Assessment", recorded 3/6/2014, as document No. 2014-84188, pursuant to Chapter 29 of Part 3 of Division 7 of the California Street and Highway codes, providing for the assessments of San Bernardino Associated Governments (SANBAG). The assessment may be prepaid.

Contact information:
Secretary to Board of Directors
San Bernardino Associated Governments
1170 W. 3rd Street
San Bernardino, CA 92410-1715

NOTE: Said assessments are collected with the County Taxes. Current fiscal year amount: \$1,488.62

4 The Lien of future supplemental taxes, if any, assessed pursuant to the provisions of section 75, et seq of the revenue and taxation code of the state of California

5 An easement shown or dedicated on the Map as referred to in the legal description
For: public utilities and incidental purposes.

6 Covenants, conditions and restrictions in an instrument recorded as Book 4383, Page 529 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any mortgage or Deed of Trust made in good faith and for value, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under chapter 42, section 3604 of the United States code or (b) relates to handicap but does not discriminate against handicapped persons.

"NOTE: section 12955 of the government code provide the following: if this document contains any restriction based on race, color, religion, sex, familial status, marital status, disability, national origin, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12955 of the government code. Lawful restriction under state and federal law on the age of occupants in senior housing for older persons shall not be construed as restriction based on familial status."

An easement as set forth in the above document
For : Public utilities, water line and incidental purposes
Affects : The location of said easements set forth therein.

- 7 An easement for purposes herein stated, and rights incidental thereto as set forth in an instrument
Recorded: as Book 4403, Page 97, Official Records.
For: pole lines, conduits and incidental purposes
Affects: The location of said easement is set forth therein.
- 8 The fact that said land is within the boundaries of the Town Apple Redevelopment No. 2 Project Area redevelopment area, as disclosed by an instrument recorded 12/24/1996 as Instrument No. 96-470391, Official Records.
- 9 A declared homestead executed by Martha Mary Barbee, recorded 3/11/1982 Instrument No. [1982-47838](#), Official Records.
- 10 An instrument, upon the terms and conditions contained therein
Entitled: Notice of Lien
Executed by: Town of Apple Valley
Amount: \$264.23, together with penalties and costs, if any
Recorded: 4/28/2000 as Instrument No [2000-146642](#), Official Records.

For additional information please contact:

Town of Apple Valley
Town Clerk's Office
P.O. Box 429
Apple Valley, CA 92307

- 11 An instrument, upon the terms and conditions contained therein
Entitled: Notice of Lien
Executed by: Town of Apple Valley
Amount: \$226.58, together with penalties and costs, if any
Recorded: 8/8/2001 as Instrument No [2001-359453](#), Official Records.

For additional information please contact:

Town of Apple Valley
Town Clerk's Office
P.O. Box 429
Apple Valley, CA 92307

- 12 A Deed of Trust to secure the indebtedness of
Amount: **\$88,500.00**
Trustor: **Martha M. Barbee, an unmarried woman**
Trustee: Chicago Title Company
Beneficiary: American Advisors Group, serviced by Mortgage Electronic Registration Systems, Inc. (MERS)
Dated: 10/24/2012
Recorded: **10/31/2012** as [Instrument No. 2012-451088](#), Official Records.

Said Deed of Trust secures a reverse mortgage.

- 13 A Deed of Trust to secure the indebtedness of
Amount: **\$88,500.00**
Trustor: **Martha M. Barbee, an unmarried woman**
Trustee: Senior Official With Responsibility for Single Family Mortgage Insurance Programs in the Department of Housing and Urban Development Field Office with Jurisdiction over the property described below, or a designee of that official
Beneficiary: Secretary of Housing and Urban Development
Dated: 10/24/2012
Recorded: **10/31/2012** as [Instrument No. 2012-451089](#), Official Records.

Said Deed of Trust secures a reverse mortgage.

The beneficial interest under said Deed of Trust was assigned

To: Reverse Mortgage Solutions, Inc.,
By Assignment Recorded: 10/16/2015 as Instrument No. [2015-449669](#), Official Records.

The trustee in said Deed of Trust was substituted by an instrument

Recorded: 11/30/2015 as Instrument No. [2015-519696](#), Official Records.
New trustee: T.D. Service Company

Notice of default under the terms of said Deed of Trust was

Recorded: 11/30/2015 as Instrument No. [2015-519697](#), Official Records.

- 14 Any right, title or interest of Sunrun Inc., in or to the solar energy system located on the Land as disclosed by that certain Notice of Independent Solar Energy System Producer Contract:
Recorded: 6/30/2014, [as Instrument No. 2014-235046](#), of Official Records.

NOTE: The Company requires a separate termination of contract and that said termination of contract be submitted to the Title Officer for review in order to remove this exception.

- 15 **The title search has disclosed possible liens and judgments that cannot be eliminated until we receive a completed Statement of Information from Martha M. Barbee. THIS TRANSACTION WILL NOT BE ABLE TO CLOSE UNTIL WE HAVE RESOLVED THESE MATTERS. YOUR PROMPT ATTENTION IS APPRECIATED.**

End of Schedule B

“NOTES AND REQUIREMENTS SECTION”**Note No. 1**

California Revenue and Taxation Code Section 18662, effective January 1, 1994 and by amendment effective January 1, 2003, provides that the buyer in all sales of California Real Estate may be required to withhold 3 and 1/3% of the total sales price as California State Income Tax, subject to the provisions of the law as therein contained.

NOTE NO. 2 PAYOFF INFORMATION:

Note: this company does require current beneficiary demands prior to closing.

If the demand is expired and a correct demand cannot be obtained, our requirements will be as follows:

- A. If this company accepts a verbal update on the demand, we may hold an amount equal to one monthly mortgage payment. The amount of this hold will be over and above the verbal hold the lender may have stipulated.
- B. If this company cannot obtain a verbal update on the demand, will either pay off the expired demand or wait for the amended demand, at the discretion of the escrow.
- C. In the event that a payoff is being made to a servicing agent for the beneficiary, this company will require a complete copy of the servicing agreement prior to close.

Note No. 3

If this company is requested to disburse funds in connection with this transaction, chapter 598, statutes of 1989 mandates hold periods for checks deposited to escrow or sub-escrow accounts. The mandatory hold is one business day after the day deposited. Other checks require a hold period from three to seven business days after the day deposited.

Notice Regarding Your Deposit of Funds

California Insurance Code Sections 12413 *et. Seq.* Regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow and sub-escrow accounts and be available for withdrawal prior to disbursement. Funds deposited with the Company by wire transfer may be disbursed upon receipt. Funds deposited with the Company via cashier's checks drawn on a California based bank may be disbursed the next business day after the day of deposit. If funds are deposited with by other methods, recording or disbursement may be delayed. All escrow and sub-escrow funds received by the Company will be deposited with other funds in one or more non-interest bearing escrow accounts of the Company in a financial institution selected by the Company. The Company and/or its parent company may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with the financial institution, and the Company shall have no obligation to account to the depositing party in any manner for the value of, or to pay such party, any benefit received by the Company and/or its parent Company. Those benefits may include, without limitation, credits allowed by such financial institution on loans to the Company and/or its parent company and earnings on investments made on the proceeds of such loans, accounting, reporting and other services and products of such financial institution. Such benefits shall be deemed additional compensation of the Company for its services in connection with the escrow or sub-escrow.



**Orange Coast Title Company of Southern California -
Inland Empire Division**

1845 Business Center Drive, Suite 218
San Bernardino, CA 92408
909-825-8800

Attention:

Borrower:

Lenders supplemental report

The above numbered report (including any supplements or amendments thereto) is hereby modified and/or supplemented in order to reflect the following additional items relating to the issuance of an American Land Title Association loan policy form as follows:

- A. This report is preparatory to this issuance of an American Land Title Association loan policy of title insurance. This report discloses nothing, which would preclude the issuance of said American land title association loan policy of title insurance with endorsement no. 100 attached thereto.

- B. The improvements on said land are designated as:

A single family residence

10640 JAMUL ROAD, in the City of Apple Valley, County of San Bernardino, State of California.

- C. Our search of the public records revealed conveyance(s) affecting said land recorded within 24 months of the date of this report are as follows:

None.

Attention

Please note that this preliminary report now has an extra copy of the legal description on a separate sheet of paper. There are no markings on the page. The idea is to provide you with a legal description that can be attached to other documents as needed. That legal description page immediately follows this page.

Thank you for your support of **Orange Coast Title Company of Southern California - Inland Empire Division**. We hope that this makes your job a little easier.

Exhibit "A"

Lot 436, Tract No. 5780, Circle "M" Rancho Unit No. 4, in the County of San Bernardino, State of California, as per Plat recorded in Book 71 of Maps, Page(s) 27 through 31, inclusive, records of said County.

Excepting therefrom an undivided 1/2 interest in and to all oil, gas, and minerals lying and being more than 500 feet below the respective surface elevations of the above described property; provided, however, that such excepted ownership of such 1/2 interest in and to such oil, gas and minerals does not include and shall not be construed to include any right of entry upon any part of the herein described property for the purpose of exploration, development, drilling, storage or other activity ancillary to the removal of such oil, gas or minerals, as reserved in deeds of record.

CLTA Preliminary Report Form – Exhibit B (06-03-11)

CLTA STANDARD COVERAGE POLICY – 1990 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, which are 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 not shown by the public records.

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02/03/10)

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 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.

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:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1 % of Policy Amount shown in Schedule A or \$ 2,500 (whichever is less)	\$ 10,000
Covered Risk 18:	1 % of Policy Amount shown in Schedule A or \$ 5,000 (whichever is less)	\$ 25,000
Covered Risk 19:	1 % of Policy Amount shown in Schedule A or \$ 5,000 (whichever is less)	\$ 25,000
Covered Risk 21:	1 % of Policy Amount shown in Schedule A or \$ 2,500 (whichever is less)	\$ 5,000

ALTA RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)

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 any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning: * land use * improvements on the land * land division * environmental protection. This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless: *a notice of exercising the right appears in the public records *on the Policy Date *the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks: *that are created, allowed, or agreed to by you *that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records *that result in no loss to you *that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right: *to any land outside the area specifically described and referred to in Item 3 of Schedule A OR *in streets, alleys, or waterways that touch your land. This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

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 which arise by reason of:

1. (a) Any law, ordinance 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.
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 in which 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):

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:

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 which 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 not shown by the public records.

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:

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 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.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)

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, permit, or governmental regulation (including but not limited 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 the 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 Risks 5, 6, 13(c), 13(d), 14, and 16. (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risks 5, 6, 13(c), 13(b), 14, and 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 Risks 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 26); or (e) resulting in loss or damage which 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 the Insured to comply with applicable doing-business laws of the state in which 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 in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
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.

Orange Coast Title Company of Southern California - Inland Empire Division 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 that 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 we receive from providers of services to us, such as appraisers, appraisal management companies, real estate agents and brokers and insurance agencies (this may include the appraised value, purchase price and other details about the property that is the subject of your transaction with us).
- 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 benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis.

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.

Other Important Information

We reserve the right to modify or supplement this Privacy Policy at any time. If our Privacy Policy changes, we will provide the new Privacy Policy and the ability to opt out (as required by law) before the new policy becomes effective.

STATEMENT OF FACTS

CONFIDENTIAL INFORMATION FOR YOUR PROTECTION

This statement is to be signed personally by each party to the transaction and by both husband, wife or domestic partner before title insurance can be written. When filled in completely it will serve to establish identity, eliminate matters affecting persons of similar name, protect you against forgeries, and speed the completion of your transaction.

MY FULL NAME (First, Middle, Last) _____ Date of Birth : _____
Business Ph: _____ Home Ph: _____ Birthplace: _____
SS# _____ Driver's License No. _____ Expiration Date _____ State Issued _____

I have lived continuously in the USA since: _____
Full name of spouse/domestic partner: (First, Middle, Last) _____
Spouse/domestic partner's Birthplace: _____ Date of Birth: _____
Spouse/domestic partner's SS# _____ I have lived continuously in the USA since: _____
We were married/legally joined on : _____ at _____
Spouse/domestic partner's maiden name: _____

RESIDENCES & OCCUPATIONS DURING PAST 10 YEARS

Street _____ City _____ From _____ to _____
Street _____ City _____ From _____ to _____
Street _____ City _____ From _____ to _____

OCCUPATIONS

(Husband/Domestic partner) Firm Name: _____ Location: _____
Firm Name: _____ Location: _____
Firm Name: _____ Location: _____
(Wife/Domestic partner) Firm Name: _____ Location: _____
Firm Name: _____ Location: _____
Firm Name: _____ Location: _____

(If no former marriage/union, write "none" Otherwise complete the following)

Any Former Name of former wife/domestic partner: _____
Marriages Deceased: ___ Divorced: ___ Interlocutory: ___ Final: ___ When: _____ Where: _____
(check one item - Name of former husband/domestic partner: _____
fill in date & place) Deceased: ___ Divorced: ___ Interlocutory: ___ Final: ___ When: _____ Where: _____

There are no leases, defects, encumbrances, adverse claims, or other matters affecting said property other than as
Shown on the Preliminary Report prepared by: _____
Bearing the above referenced order number dated: _____
There is no-one in possession or entitled to possession of said property other than the Vestee shown in said
Preliminary Report except: _____
There is no work of improvement in progress and no such work has been completed within one year of this date:
(Circle One) YES NO

The Street address of the property in this transaction is: _____
Single Family Residence: _____ Multiple Residence: _____ Commercial: _____ Vacant Land: _____
Occupied By: Owner: _____ Lessee: _____ Tenants: _____

Is any portion of new loan funds to be used for construction? (circle one) YES NO

Date: _____ (Signature)

Order No: 210-1728029-02 _____ (Signature)

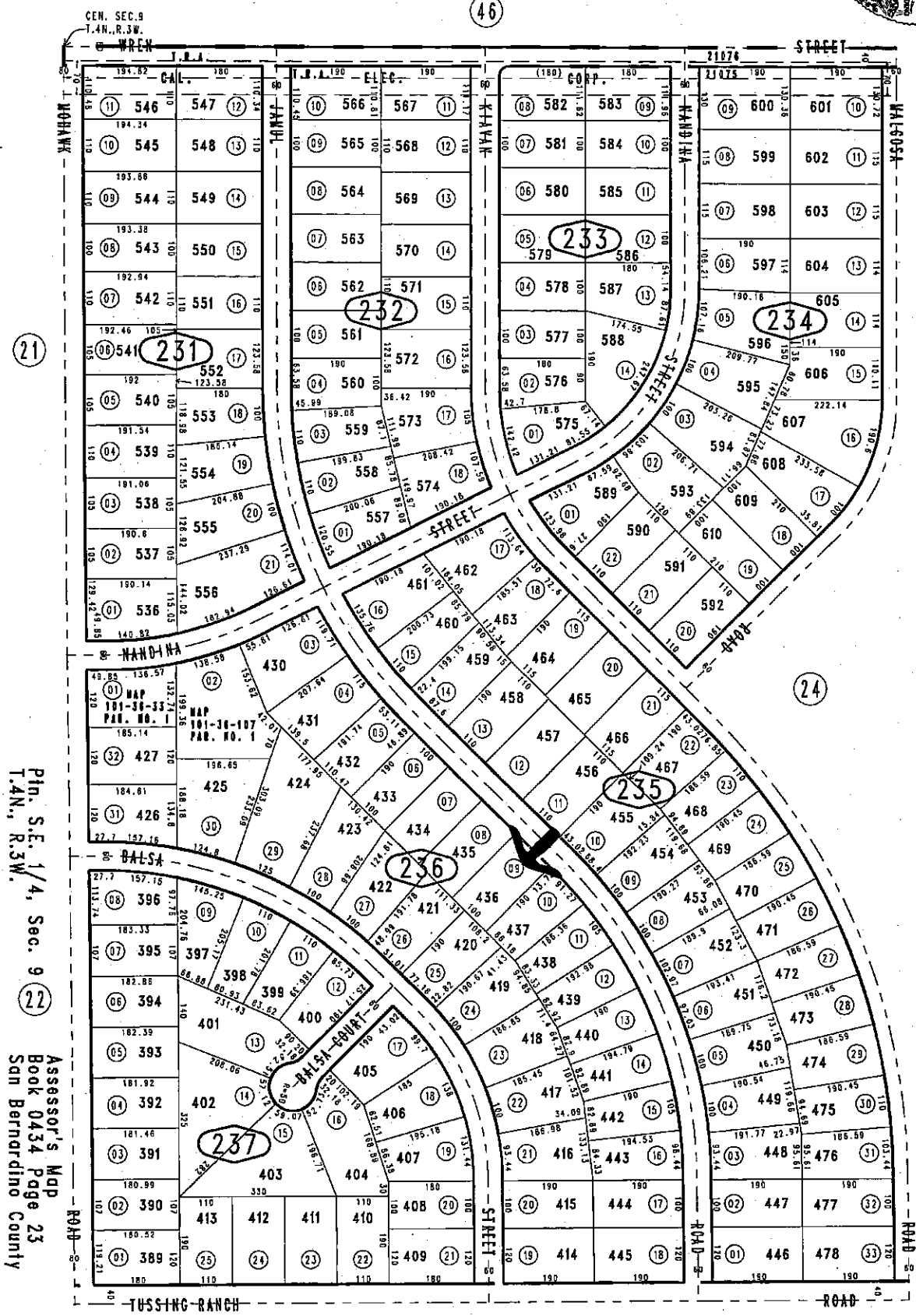
THIS MAP SHOULD BE USED FOR REFERENCE PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.



Order: 210-1728029-02 Comment: Description: San Bernardino, CA Assessor Map - Book Page 434.23 Page 1 of 1 Only

April 2004



Pin. S.E. 1/4, Sec. 9
T. 4N., R. 3W.
Assessor's Map
Book 0434 Page 23
San Bernardino County

Pin. Circle 'W' Ranchos, Unit No. 4, Tract No. 5780
M.B. 71/27-31
Town of Apple Valley 0434-23
Tax Rate Area
21075, 21076

0438
04

REVISED
07/23/09 LH