Commitment No.: NCS-475958-SA1

Page Number: 1

Amended/Updated to 4/19/2011



# First American Title Insurance Company National Commercial Services

5 First American Way Santa Ana, CA 92707

April 28, 2011

Steve Eggert St. Anton Partners 1801 I Street, Ste. 200 Sacramento, CA 95814

Customer Reference: Santa Fe and Highland

Title Officer: Gary Ward Title Assistant: Devon Boyles

Phone: (714)250-8369 Phone: (714)250-8317

Policy Number:

Escrow Officer: Patty Beverly Phone: (714)250-8455

Property: No Situs, Fullerton, CA

Attached please find the following item(s):

Commitment

Thank You for your confidence and support. We at First American Title Insurance Company maintain the fundamental principle:

Customer First!

Commitment No.: NCS-475958-SA1
Page Number: 2

## First American Title Insurance Company INFORMATION

The Title Insurance Commitment is a legal contract between you and the company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

This information is not part of the title insurance commitment.

### **TABLE OF CONTENTS**

		Page
Agreement to Issue Policy		3
Schedule A		
1. 2. 3. 4.	Commitment Date Policies to be Issued, Amounts and Proposed Insured Interest in the Land and Owner Description of the Land	4 4 4 4
Schedule B-	1 - Requirements	
Schedule B-2	2 - Exceptions	
Conditions		

YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.
If you have any questions about the Commitment,
please contact the issuing office.

Commitment No.: NCS-475958-SA1
Page Number: 3

COMMITMENT FOR TITLE INSURANCE

### Issued by

### First American Title Insurance Company

Agreement to Issue Policy

We agree to issue a policy to you according to the terms of this Commitment.

When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-1.

The Exceptions in Schedule B-2.

The Conditions.

This Commitment is not valid without Schedule A and Sections 1 and 2 of Schedule B.

Commitment No.: NCS-475958-SA1

Page Number: 4

### **SCHEDULE A**

1. Commitment Date: April 19, 2011 at 7:30 A.M.

2. Policy or Policies to be issued:

**Amount** 

(A) ALTA Standard Owner Policy - 2006 ALTA Ext Owner Policy 1402.06 (2006) Proposed Insured: \$7,100,000.00

St. Anton Partners, LLC, a California limited liability company

(B) ALTA Extended Loan Policy - 2006 Proposed Insured:

\$To Be Determined

To Be Determined

3. (A) The estate or interest in the land described in this Commitment is:

Fee Simple

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

World Citrus West, Inc., a Nevada corporation, successor by merger of Polar Chilled Products Co. Inc. and The VIM Corporation, a California corporation

4. The land referred to in this Commitment is situated in the City of Fullerton, County of Orange, State of California, and is described as follows:

PARCEL NO. 1:

LOTS 3 TO 12, INCLUSIVE, IN BLOCK 31 OF THE TOWNSITE OF FULLERTON, IN THE CITY OF FULLERTON, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 22 PAGES 3, 4, AND 5 OF MISCELLANEOUS RECORDS OF LOS ANGELES COUNTY, CALIFORNIA.

EXCEPTING THE SOUTHERLY 12 FEET OF SAID LOTS 4 TO 10, INCLUSIVE.

ALSO EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES LYING NOT LESS THAN 100 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT TO GO UPON THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXTRACTING SAID OIL, GAS OR OTHER HYDROCARBON AND MINERAL SUBSTANCES AND THE RIGHT TO EXTRACT AND REMOVE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES BY MEANS OF SLANT DRILLED WELLS LOCATED ON ADJACENT OR NEARBY LAND OR BY OTHER MEANS WHICH SHALL NOT REQUIRE ENTRY UPON THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM SANTA FE LAND IMPROVEMENT COMPANY TO ANAHEIM COLD STORAGE, INC., RECORDED JUNE 12, 1952 IN BOOK 2342,PAGE 287 OF OFFICIAL RECORDS, AND RECORDED SEPTEMBER 14, 1952 IN BOOK 2825, PAGE 567 OF OFFICIAL RECORDS.

Commitment No.: NCS-475958-SA1
Page Number: 5

### PARCEL NO. 2:

LOTS 1 AND 2 IN BLOCK 31 OF THE TOWNSITE OF FULLERTON, IN THE CITY OF FULLERTON, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 22 PAGES 3, 4, AND 5 OF MISCELLANEOUS RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, TOGETHER WITH THE WESTERLY HALF OF THAT PORTION OF MALDEN AVENUE ABANDONED BY RESOLUTION NO. 3092-B, A CERTIFIED COPY OF WHICH WAS RECORDED APRIL 27, 1960 IN BOOK 5215 PAGE 265, OF OFFICIAL RECORDS, OF ORANGE COUNTY, CALIFORNIA.

EXCEPTING THEREFROM THAT PORTION OF LAND AS DESCRIBED IN DOCUMENT ENTITLED "FINAL ORDER OF CONDEMNATION" RECORDED ON JANUARY 09, 2009 AS INSTRUMENT NO. 2009-38261.

### PARCEL NO. 3:

THAT PORTION OF THE TOWNSITE OF FULLERTON, IN THE CITY OF FULLERTON, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 22 PAGES 3, 4, AND 5 OF MISCELLANEOUS RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF SANTA FE AVENUE WITH THE EAST LINE OF MALDEN AVENUE, AS SHOWN ON SAID MAPS;

THENCE, SOUTHERLY 175.62 FEET ALONG THE EAST LINE OF MALDEN AVENUE TO A POINT, SAID POINT BEING THE INTERSECTION OF THE EAST LINE OF MALDEN AVENUE WITH THE NORTH LINE OF THE 100.00-FOOT-WIDE RAILROAD RIGHT-OF-WAY AS SHOWN ON SAID MAPS, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND FIRST DESCRIBED IN DEED FROM FULLERTON LAND AND TRUST COMPANY TO CALIFORNIA CENTRAL RAILWAY COMPANY, RECORDED SEPTEMBER 28, 1888 IN BOOK 497 PAGE 19 OF DEEDS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA;

THENCE WESTERLY, 210.00 FEET ALONG SAID NORTH LINE OF SAID 100.00-FOOT-WIDE RAILROAD RIGHT-OF-WAY;

THENCE, SOUTHERLY AT RIGHT ANGLES TO SAID NORTH RIGHT-OF-WAY LINE 10.00 FEET; THENCE, EASTERLY 210.00 FEET ALONG A LINE PARALLEL WITH AND SOUTHERLY 10.00 FEET FROM SAID RIGHT-OF-WAY LINE;

THENCE, SOUTHERLY 15.50 FEET ALONG THE SOUTHERLY PROLONGATION OF THE EAST LINE OF SAID MALDEN AVENUE;

THENCE, NORTH 89° 33' 00" EAST 213.59 FEET TO A POINT IN THE EASTERLY LINE OF THE LAND DESCRIBED IN DEED TO GOLDEN CITRUS JUICES, INC., RECORDED JUNE 07, 1950 IN BOOK 2023 PAGE 172, OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA; THENCE NORTH 0° 27' 00" WEST, 199.48 FEET ALONG THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE TO THE SOUTH LINE OF SANTA FE AVENUE;

THENCE, WESTERLY 212.00 FEET ALONG THE SOUTH LINE OF SANTA FE AVENUE TO THE POINT OF BEGINNING, TOGETHER WITH THE EASTERLY HALF OF THAT PORTION OF MALDEN AVENUE ABANDONED BY RESOLUTION NO. 3092-B, A CERTIFIED COPY OF WHICH WAS RECORDED APRIL 27, 1960 IN BOOK 5215 PAGE 265, OF OFFICIAL RECORDS OF SAID ORANGE COUNTY.

EXCEPTING THEREFROM THAT PORTION OF LAND AS DESCRIBED IN DOCUMENT ENTITLED "FINAL ORDER OF CONDEMNATION" RECORDED ON JANUARY 09, 2009 AS INSTRUMENT NO. 2009-38261.

ALSO EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES LYING NOT LESS THAN 100 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT THE RIGHT TO GO UPON THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXTRACTING SAID OIL, GAS OR OTHER HYDROCARBON AND MINERAL SUBSTANCES AND THE

RIGHT TO EXTRACT AND REMOVE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES BY MEANS OF SLANT DRILLED WELLS LOCATED ON ADJACENT OR NEARBY LAND OR BY OTHER MEANS WHICH SHALL NOT REQUIRE ENTRY UPON THE SURFACE OF SAID LAND, AS RESERVED IN THE DEED FROM THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY RECORDED JULY 18, 1955 IN BOOK 3143, PAGE 379 OF OFFICIAL RECORDS.

Commitment No.: NCS-475958-SA1

Page Number: 6

APN: 032-243-21

### SCHEDULE B

Commitment No.: NCS-475958-SA1

Page Number: 7

### **SECTION ONE**

### **REQUIREMENTS**

The following requirements must be met:

- (A) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (B) Pay us the premiums, fees and charges for the policy.
- (C) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
- (D) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (E) Releases(s) or Reconveyance(s) of Item(s): None
- (F) Other: None
- (G) You must give us the following information:
  - 1. Any off record leases, surveys, etc.
  - 2. Statement(s) of Identity, all parties.
  - 3. Other: None

The following additional requirements, as indicated by "X", must be met:

[X] (H) Provide information regarding any off-record matters, which may include, but are not limited to: leases, recent works of improvement, or commitment statements in effect under the Environmental Responsibility Acceptance Act, Civil Code Section 850, et seq.

The Company's Owner's Affidavit form(as provided by company) must be completed and submitted prior to close in order to satisfy this requirement. This Commitment will then be subject to such further exceptions and/or requirements as may be deemed necessary.

- [] (I) An ALTA/ACSM survey of recent date, which complies with the current minimum standard detail requirements for ALTA/ACSM land title surveys, must be submitted to the Company for review. This Commitment will then be subject to such further exceptions and/or requirements as may be deemed necessary.
- [] (J) The following LLC documentation is required:
  - (i) a copy of the Articles of Organization
  - (ii) a copy of the Operating Agreement, if applicable
  - (iii) a Certificate of Good Standing and/or other evidence of current Authority to Conduct Business within the State
  - (iv) express Company Consent to the current transaction

ALTA Plain Language Commitment Page Number: 8 П (K) The following partnership documentation is required: (i) a copy of the partnership agreement, including all applicable amendments thereto (ii) a Certificate of Good Standing and/or other evidence of current Authority to Conduct Business within the State (iii) express Partnership Consent to the current transaction [X] (L) The following corporation documentation is required: (i) a copy of the Articles of Incorporation (ii) a copy of the Bylaws, including all applicable Amendments thereto (iii) a Certificate of Good Standing and/or other evidence of current Authority to Conduct Business within the State (iv) express Corporate Resolution consenting to the current transaction (M) Based upon the Company's review of that certain partnership/operating agreement dated [X] **not disclosed** for the proposed insured herein, the following requirements must be met: Any further amendments to said agreement must be submitted to the Company, together with an affidavit from one of the general partners or members stating that it is a true copy, that said partnership or limited liability company is in full force and effect, and that there have been no further amendments to the agreement. This Commitment will then be subject to such further requirements as may be deemed necessary. П (N) A copy of the complete lease, as referenced in Schedule A, #3 herein, together with any amendments and/or assignments thereto, must be submitted to the Company for review, along with an affidavit executed by the present lessee stating that it is a true copy, that the lease is in full force and effect, and that there have been no further amendments to the lease. This Commitment will then be subject to such further requirements as may be deemed necessary. (O) Approval from the Company's Underwriting Department must be obtained for issuance of [X] the policy contemplated herein and any endorsements requested thereunder. This Commitment will then be subject to such further requirements as may be required to obtain such approval. (P) Potential additional requirements, if ALTA Extended coverage is contemplated hereunder, П and work on the land has commenced prior to close, some or all of the following requirements, and any other requirements which may be deemed necessary, may need to be met: [](Q) The Company's "Mechanic's Lien Risk Addendum" form must be completed by a Company employee, based upon information furnished by the appropriate parties involved. Π (R) The Company's "Indemnity Agreement I" must be executed by the appropriate parties. П (S) Financial statements from the appropriate parties must be submitted to the Company for review. П (T) A copy of the construction contract must be submitted to the Company for review. (U) An inspection of the land must be performed by the Company for verification of the phase П of construction.

Commitment No.: NCS-475958-SA1

Form No. 1068-2

ALTA Plain Language Commitment

Form No. 1068-2 Commitment No.: NCS-475958-SA1

Page Number: 9

### **SCHEDULE B**

### **SECTION TWO**

### **EXCEPTIONS**

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction. The printed exceptions and exclusions from the coverage of the policy or policies are set forth in Exhibit A attached. Copies of the policy forms should be read. They are available from the office which issued this Commitment.

1. General and special taxes and assessments for the fiscal year 2011-2012, a lien not yet due or payable.

2. General and special taxes and assessments for the fiscal year 2010-2011.

> First Installment: \$14,655.32, PAID

Penalty: \$0.00

Second Installment: \$14,655.32, DELINQUENT

\$1,488.53 Penalty: Tax Rate Area: 03-067 A. P. No.: 032-243-21

- 3. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
- 4. This item has been intentionally deleted.
- 5. This item has been intentionally deleted.
- 6. An easement for ingress, egress and driveway purposes and incidental purposes, recorded as Book 12095, Page 1723 of Official Records.

In Favor of: City of Fullerton

Parcel 2 Affects:

7. An easement for right-of-way for road and public utility purposes and incidental purposes, recorded February 24, 1982 as Instrument No. 82-064438 of Official Records.

In Favor of: City of Fullerton, a municipal corporation

Affects: Lot 12 of Parcel 1

8. An agreement or covenant to hold land as one parcel recorded April 11, 1983 as Instrument No. 83-151568 of Official Records.

Form No. 1068-2 Commitment No.: NCS-475958-SA1
ALTA Plain Language Commitment Page Number: 10

9. An easement for street right-of-way purposes, a permanent easement for lateral support and construction of a retaining wall and footing, with the right of ingress and egress for the purpose of maintaining and replacing said retaining wall and footing in, on, and over Parcel No. 10020-5 and incidental purposes, recorded September 08, 1998 as Instrument No. 19980601363 of Official Records.

In Favor of: City of Fullerton, a municipal corporation

Affects: Lots 11 and 12 of Parcel 1

- 10. Rights of parties in possession.
- 11. The following matters disclosed by an ALTA/ACSM survey made by Morrow Surveying on March 18, 2011 and last revised \_\_\_\_\_\_, 2011, designated Dwg No. 7509-060 AZ:
  - A. Encroachment of concrete foundation over easement recorded as Book 12095, Page 1723.
  - B. Encroachment of concrete foundation over easement recorded as Instrument No. 19980601363.
  - C. Encroachment of fence over the southwesterly portion of Parcel No. 1, the easterly portion of Parcel No. 2, the northerly line of Parcel No. 1 and through Parcel No. 3.
  - D. Additional matters that may be disclosed by a revised ALTA/ACSM Survey, if any.

Commitment No.: NCS-475958-SA1
Page Number: 11

### **INFORMATIONAL NOTES**

- 1. According to the latest available equalized assessment roll in the office of the county tax assessor, there is located on the land a(n) Commercial Structure known as No Situs, Fullerton, California.
- 2. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:

None

3. This preliminary report/commitment was prepared based upon an application for a policy of title insurance that identified land by street address or assessor's parcel number only. It is the responsibility of the applicant to determine whether the land referred to herein is in fact the land that is to be described in the policy or policies to be issued.

The map attached, if any, may or may not be a survey of the land depicted hereon. First American Title Insurance Company expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

\*\*\*\*\*To obtain wire instructions for deposit of funds to your escrow file please contact your Escrow Officer.\*\*\*\*

**CONDITIONS** 

Commitment No.: NCS-475958-SA1

Page Number: 12

### 1. **DEFINITIONS**

(a)"Mortgage" means mortgage, deed of trust or other security instrument.

(b)"Public Records" means title records that give constructive notice of matters affecting the title according to the state law where the land is located.

### 2. LATER DEFECTS

The Exceptions in Schedule B - Section Two may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section One are met. We shall have no liability to you because of this amendment.

### 3. **EXISTING DEFECTS**

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

### 4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

comply with the Requirements shown in Schedule B - Section One

eliminate with our written consent any Exceptions shown in Schedule B - Section Two.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

### 5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this commitment and is subject to its terms.

Commitment No.: NCS-475958-SA1

Page Number: 13

### **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, together with our parent company, The First American Corporation, 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. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at www.firstam.com.

### **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 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. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

### **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 and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

### EXHIBIT A LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (BY POLICY TYPE)

Commitment No.: NCS-475958-SA1

Page Number: 14

### 1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990 SCHEDULE B

#### **EXCEPTIONS FROM COVERAGE**

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 notice 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.

#### **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:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (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 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.
- 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 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 or interest insured by their 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.

### 2. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970 SCHEDULE OF EXCLUSIONS FROM COVERAGE

- 1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions of area of the land, or the effect of any violation of any such law, ordinance or governmental regulation.
- 2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy.
- 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 and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (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 estate or interest insured by this policy.

### 3. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 2 above are used and the following exceptions to coverage appear in the policy.

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following: Part One

- Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real 1. property or by the public records.
- Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land 2. or by making inquiry of persons in possession thereof.
- Easements, claims of easement or encumbrances which are not shown by the public records. 3.
- Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and 4. which are not shown by public records.
- 5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to
- Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public 6. records.

### 4. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970 WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE SCHEDULE OF EXCLUSIONS FROM COVERAGE

- Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or 1. prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law ordinance or governmental regulation.
- Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at 2. Date of Policy.
- 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 and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy or acquired the insured mortgage and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder, (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy (except to the extent insurance is afforded herein as to any statutory lien for labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy).
- Unenforceability of the lien of the insured mortgage because of failure of the insured at Date of Policy or of any subsequent owner of the 4. indebtedness to comply with applicable "doing business" laws of the state in which the land is situated.

### 5. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970 WITH REGIONAL EXCEPTIONS

When the American Land Title Association Lenders Policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy, the exclusions set forth in paragraph 4 above are used and the following exceptions to coverage appear in the policy.

### SCHEDULE B

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following: Part One

- Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real 1. property 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 said land or by making inquiry of persons in possession thereof.
- 3. Easements, claims of easement or encumbrances which are not shown by the public records.
- Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and 4. which are not shown by public records.
- Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to 5. water.
- Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public 6. records.

### 6. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE **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 and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (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 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.

Commitment No.: NCS-475958-SA1

Page Number: 16

- 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 (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at 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.
- 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 statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
- 7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
  - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
  - (a) to timely record the instrument of transfer; or
  - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

### 7. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 6 above are used and the following exceptions to coverage appear in the policy.

### **SCHEDULE B**

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.
- 2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
- 3. Easements, claims of easement or encumbrances 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 public records.
- 5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
- 6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

### 8. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 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 and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (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

ALTA Plain Language Commitment

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 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.
- Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding 2. 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
- Defects, liens, encumbrances, adverse claims, or other matters: 3.
  - (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; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
- Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation 4. of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
  - (a) to timely record the instrument of transfer; or
  - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

### 9. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 8 above are used and the following exceptions to coverage appear in the policy.

#### **SCHEDULE B**

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: Part One:

- 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.
- 2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
- Easements, claims of easement or encumbrances which are not shown by the public records. 3.
- 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 public records.
- Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to 5. water.
- Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public 6. records.

### 10. AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL **TITLE INSURANCE POLICY - 1987 EXCLUSIONS**

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

- Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning 1. ordinances and also laws and regulations concerning:
  - \* land use

\* land division

\* improvements on the land

\* 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.
  - \* 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
- Failure to pay value for your title. 4.
- 5. Lack of a right:

ALTA Plain Language Commitment

\* 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.

#### 11. EAGLE PROTECTION OWNER'S POLICY

### **CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 1998 ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 1998**

Covered Risks 14 (Subdivision Law Violation). 15 (Building Permit). 16 (Zoning) and 18 (Encroachment of boundary walls or fences) are subject to **Deductible Amounts and Maximum Dollar Limits of Liability** 

#### **EXCLUSIONS**

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

Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and 1. regulations concerning:

> a. building b. zoning

c. land use d. improvements on the land f. environmental protection e. land division

This exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

- The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion 2. does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
- The right to take the Land by condemning it, unless: 3.
  - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
  - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
- 4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they appear 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.d, 22, 23, 24 or 25.
- Failure to pay value for Your Title. 5.
- Lack of a right: 6.
  - 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 18.

### 12. THIRD GENERATION EAGLE LOAN POLICY AMERICAN LAND TITLE ASSOCIATION EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (1/01/08)

### **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 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, 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.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters 3
  - (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 which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing business 4. 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.

- Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the 6. 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.
- 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 8. applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.

### 13. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 2006 **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:

- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, 1. 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;

2.

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.
- 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.
- Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-4. 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.
- Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating 6. 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.
- Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of 7. 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).

### 14. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 2006 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 13 above are used and the following exceptions to coverage appear in the policy.

### **SCHEDULE B**

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:

ALTA Plain Language Commitment Page Number: 20

- 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.

### 15. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 2006 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:

- (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 Risks 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.

## 16. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 2006 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 15 above are used and the following exceptions to coverage appear in the policy.

### **SCHEDULE B**

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. (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.

Commitment No.: NCS-475958-SA1

Page Number: 21

### **APPENDIX E**

### HISTORICAL LAND USE DOCUMENTS

