



First American Title Company of Napa

FIRST LOOK CHECKLIST

Will any of the following situation potentially affect your transaction:

Will the principals be using a **POWER OF ATTORNEY**?

Are any of the parties in title **INCAPACITATED OR DECEASED**?

Has a **CHANGE IN MARITAL STATUS** occurred for any of the principals?

Will the property be transferred to a **NEW TRUST, PARTNERSHIP OR CORPORATION**?

Do the sellers of the property **RESIDE OUTSIDE OF CALIFORNIA OR THE UNITED STATES**?

Have any of the principals **RECENTLY FILED BANKRUPTCY**?

Are the principals involved in an **EXCHANGE WITH THIS PROPERTY**?

Has there been a **WORK OF IMPROVEMENT, CONSTRUCTION, OR ANY REMODELING** of the subject property in the last 90 days?

If you answered YES to any of these questions, please contact your escrow officer right away, so we can assure a smooth closing.

Remember, all parties signing documents must have a valid photo I.D. or driver's license for a notarial acknowledgment.

Thank you for helping First American Title Company of Napa serve you better.

1700 Second Street, Napa, CA 94559 (707) 254-4500
1361 Main Street, St. Helena, CA 94574 (707) 963-7151



NOTICE

Attached is the document you (or someone on your behalf) requested. As required by Section 12956.1(b)(1) of the California Government Code, please take note of the following:

If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

If this cover page is a copy which has been transmitted to you by facsimile, email or other form of electronic transmission, please note that the notice above appears in the original cover page in 14-point bold face type.



PRELIMINARY REPORT

First American Title Insurance Company

First American Title Company of Napa

California Department of Insurance License No. 2553-6

1700 Second Street, Suite 120, Napa, CA 94559

Tel: (707) 254-4500 - Fax: (707) 492-5120

Property Address:

14520 Canyon 7 Road
Guerneville, CA 95446

Assessor's Parcel Number:

070-300-061

Buyer/Borrower:

Wood Road TIC Theodore, LLC, Wood Road TIC
Alexander LLC, Wood Road TIC Helen LLC

Seller/Owner:

Direct Escrow Inquiries to Escrow Officer:

Sarah Miranda
Email: smiranda@firstamnapa.com
Phone: (707) 254-4500

Direct Title Inquiries to:

Mark Encinas
Email: mencinas@firstamnapa.com

Reference Number:

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

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

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.

The policy(s) of title insurance to be issued hereunder will be policy(s) of First American Title Insurance Company.

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

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

Dated as of 10th day of March, 2023 at 7:30 am

By: _____
Authorized Signatory



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

ALTA Owner's Policy (6/17/06) with Regional Exceptions (Standard Coverage)

A specific request should be made if another form or additional coverage is desired.

TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Wood Road TIC Theodore LLC, a California limited liability company, as to an undivided 33.33333% interest and Wood Road TIC Alexander LLC, a California limited liability company, as to an undivided 33.33333% interest and Wood Road TIC Helen LLC, a California limited liability company, as to an undivided 33.33334% interest

THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE

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

See Exhibit A attached hereto and made a part hereof.



EXHIBIT A

LEGAL DESCRIPTION

The land referred to herein below is situated in the City of Guerneville, County of Sonoma, State of CA and is described as follows:

Parcel One:

Being a portion of the certain Record of Survey filed December 30, 1970, in Book 153 of Maps, at Page 12, Sonoma County Records, and more particularly described as follows:

Beginning at a set 1" outside diameter iron pipe and tag (R.C.E. 8720) located at the common southerly corners of Tracts A & B as shown upon the aforementioned Record of Survey; thence S 71°52'07" 135.06 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence N 7°54'14" W 102.25 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence N 30°44'16" E 109.36 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence N 10°53'33" E 89.67 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence N 04°38'57" W 144.76 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence N 68°50'49" W 84.68 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence N 74°15'51" W 202.74 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence S 24°36'11" W 74.93 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence S 23°52'06" E 98.91 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence S 2° 15' 44" E 80.16 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence S 26°52'37" W 55.30 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence S 2°11'45" E 56.91 feet to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence S 25°15'12" E 104.59 to a set 1" outside diameter iron pipe and tag (R.C.E. 8720); thence S 63°38'36" E 72.78 to the point of beginning.

Excepting from Parcel One herein, that portion described in the Grant Deed to Richard L. Holling, et ux, and recorded on September 11, 1996, under Document No. 1996-0080936, of Official Records.

Parcel Two:

Being a portion of the lands delineated as Madrona Road on Map No. 14 being Redwood Valley Subdivision, Rio Nido, Formerly Eagle Nest, recorded in Book 27 of Maps, page 15 and as shown on a Record of Survey recorded in Book 153 of Maps, Page 12, on file in the office of the Sonoma County Recorder, and being more particularly described as follows:

Commencing at the most southerly corner of the lands of Vincent P. Walsh and Dorothy C. Walsh as recorded in Document No. 1980-0013516, Parcel "A" and delineated as Tract "A" as shown on said Record of Survey marked by a found 1 inch outside diameter iron pipe; also, from said point of commencement a found 1 inch outside diameter iron pipe marking the Northwest corner of Lot 700 as shown on said Record of Survey bears N 22°20'46" E, 193.36 feet; thence along the Easterly line of the said lands of Walsh N7°54'05" W, 33.42 feet to the point of beginning of the hereinafter described parcel of land; thence from said point of beginning and continuing along said Easterly line N 7°54'05" W, 68.87 feet to a found 1 inch outside diameter iron pipe; thence continuing along the Westerly line N 30°41'19" E, 91.44 feet to a point from which a found 1 inch outside diameter iron pipe found on said Easterly line bears N 30°41'19" E, 17.84 feet; thence leaving said Easterly line S 14° 12'55" W, 151.50 feet to the point of beginning.



*First American
Title Company of Napa*

ORDER NO: TO-20711-SM

Assessor's Parcel Number: 070-300-061

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

1. General and special taxes and assessments for the fiscal year 2023-2024, a lien not yet due or payable.
2. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
3. Covenants, conditions, restrictions and easements in the document recorded on August 21, 1907 as Book 240 of Deeds, Page 21 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value, but deleting any covenant, condition, or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, sexual orientation, familial status, disability, handicap, national origin, genetic information, gender, gender identity, gender expression, source of income (as defined in California Government Code \square 12955(p)) or ancestry, to the extent such covenants, conditions or restrictions violate 42 U.S.C. \square 3604(c) or California Government Code \square 12955. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
4. and recorded in the following documents:
 - August 21, 1907 in Book 240 of Deeds at page 75
 - August 21, 1907 in Book 240 of Deeds at page 219
 - August 21, 1907 in Book 240 of Deeds at page 497
 - September 7, 1921 in Book 402 of Deeds at page 309
 - March 24, 1924 in Book 63 of Official Records at page 443
 - September 29, 1927 in Book 181 of Official Records at page 110
 - January 16, 1960 in Book 1724 of Official Records at page 475
5. An easement for pipe lines, flumes, ditches, reservoirs, water supply systems & facilities. and incidental purposes, recorded on May 7, 1909 as Book 257 of Deeds, Page 37 of Official Records.
In Favor of : Mount Jackson Water and Power Company
6. The location of the easement cannot be determined from the public record.
7. Terms and provisions contained in the above document.
8. The effect of a map purporting to show the land and other property, filed on January 4, 1971 as Book 153, page 12 of Record of Surveys.
9. An easement for sanitary sewer line and facilities and incidental purposes, recorded on June 29, 1978 as Book 3418, Page 298 of Official Records.
In Favor of : Russian River County Sanitation District

10. An easement for electric transmission and distribution lines and facilities and incidental purposes, recorded on June 25, 1987 as Series Number 1987-0060651 of Official Records.
In Favor of : Pacific Gas and Electric Company
11. The effect of a document entitled 'Easement Grant Deed', recorded on July 22, 1997 as Series Number 1997-0063194 of Official Records.

Said document purports to grant an easement to neighboring property but there is no description of easement, either for what it is for or where it is closed.
12. An easement for pedestrian ingress and egress and incidental purposes, recorded on July 1, 2014 as Series Number 2014-0045079 of Official Records.
In Favor of : Lowbrau LLC
13. The fact that the land lies within the boundaries of the Russian River Redevelopment Project Area, as disclosed by the document recorded on July 18, 2000 as Series Number 2000-0071665 of Official Records.
14. The terms and provisions contained in the document entitled 'Settlement Agreement and Mutual Release' recorded on July 24, 2014 as Series Number 2014-0050992 of Official Records.
15. The effect of a map purporting to show the land and other property, filed on January 25, 2018 as Book 792, Page 32 of Record of Surveys.
16. A deed of trust to secure an original indebtedness of \$730,000.00 recorded on June 11, 2021 as Series Number 2021-0069169 of Official Records.
Dated : June 9, 2021
Trustor : Wood Road TIC Theodore LLC, Wood Road TIC Alexander LLC and Wood Road TIC Helen LLC
Trustee : Fidelity National Title Company, a California corporation
Beneficiary : Rio Nido Lounge, LLC, a California limited liability company
Loan No. : None Shown

According to the public records, the beneficial interest under the deed of trust was assigned to Dennis L. Judd, Trustee of the 2000 Dennis L. Judd Revocable Trust by assignment recorded on December 3, 2021 as Instrument #2021-0132235(<https://epf.firstamnapa.com/epf/pl.axd/7b62d5f8-ac5b-4bd8-a22a-11b04368e6e0>) in the official records of Sonoma County.

17. An unrecorded lease dated August 1, 2022, executed by Wood Road TIC Theodore LLC, Wood Road TIC Alexander LLC, Wood Road Helen LLC as lessor and FRN Friends of Rio Nido 501-3C as lessee, as disclosed by the document recorded on August 23, 2022 as document #2022-0055917 in the official records of Sonoma County as {item} of Official Records.

18. An unrecorded lease dated August 1, 2022, executed by Wood Road TIC Theodore LLC, Wood Road TIC Alexander LLC, Wood Road Helen LLC as lessor and FRN Friends of Rio Nido 501-3C as lessee, as disclosed by the document recorded on August 23, 2022 as document #2022-0055917 in the official records of Sonoma County as {item} of Official Records.
19. Water rights, claims or title to water, whether or not shown by the Public Records.
20. Rights of parties in possession.
21. With respect to Wood Road TIC Theodore LLC, Wood Road TIC Alexander LLC & Wood Road TIC Helen LLC, we will require a full copy of the operating agreement and any amendments, together with an affidavit signed by the managing member(s) stating that it is a true copy and that there have been no further amendments. Other requirements may be made following the review of such documents.
22. Information in possession of this Company indicates that a transfer of land is contemplated involving the land described in this report. Such transfer of land would appear to fall within the purview of the Subdivision Map Act (G.C. 66410 et seq.) Although the policy or policies to be issued do not insure against loss by reason of such matters, as a prerequisite to the issuance of the final title evidence, the Company will require completion of an approved Lot Line Adjustment in compliance with the local city or county ordinances currently in effect.

-END OF EXCEPTIONS-

Information Notes:

1. The following taxes are shown for proration purposes only: General and special taxes and assessments for the fiscal year 2022-2023 First Installment : \$3,213.93 Second Installment: : \$3,213.93 Tax Rate Area : 093043 A. P. No. : 070-300-061
2. The Assessor's Parcel Number(s), if any, contained in the legal description herein, are for quick identification purposes only, and are not a part of the actual legal descriptions.
3. Any statement regarding the acreage of the herein described land contained within the legal description in this report is derived from the public record and is for recorded deed purposes only. The Policy of Title Insurance contemplated by this report provides no insurance with respect to acreage and no acreage statement will appear within the legal description of such policy.
4. The County Recorder may charge an additional \$20.00 recording fee, if not provided with a "Preliminary Change of Ownership Report" Form, for each Deed to be recorded. The purchaser is responsible for completing and signing this form.
5. Before an escrow can close, or funds placed in a Savings Account, the Seller must furnish a Taxpayer Identification Number to us so that we can file an IRS Form 1099S or its equivalent, with the Internal Revenue Service. This procedure is required by Section 6045 of the Internal Revenue Code.
6. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company of the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.
7. Lender Supplemental Report:
8. This report contemplates the issuance of a Lender's Policy of Title Insurance. We have no knowledge of any fact that would preclude the issuance of CLTA Form 100 Endorsement and a CLTA Form 116 Endorsement in conjunction with said policy.
9. According to the public records, there has been no conveyance of the land within a period of two years prior to the date of this report, except as follows:

10. A document recorded on June 11, 2021 as Series Number Series Number 2021-0069168 of Official Records
From: : Rio Nido Lounge, LLC, a California limited liability company and D. Judd Commercial, LLC, a California limited liability company
To : Wood Road TIC Theodore LLC, a California limited liability company, as to an undivided 33.33333% interest and Wood Road TIC Alexander LLC, a California limited liability company, as to an undivided 33.33333% interest and Wood Road TIC Helen LLC, a California limited liability company, as to an undivided 33.33334% interest

WARNING:

The map attached, if any, may or may not be a survey of the land depicted hereon. First American 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.



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 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.

Type 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 for 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, 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.

ATTACHMENT ONE (Revised 06-03-11)**CALIFORNIA LAND TITLE ASSOCIATION
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, 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 HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE****EXCLUSIONS**

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

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;

- d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.
- This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
 3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
 4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
 5. Failure to pay value for Your Title.
 6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

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:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5000.00

**AMERICAN LAND TITLE ASSOCIATION
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 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 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

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

EXCEPTIONS FROM COVERAGE

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 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 in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

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 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.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.

