

ADVANTAGE TITLE, INC

19500 Jamboree Road, 2nd Floor, Irvine, CA 92612
Toll Free: (877)365-9365 ext. 3623 Direct: (949)475-3623 Fax: (949)252-2466

PRELIMINARY REPORT

Landmark Estate Agency
407 W. Imperial Hwy H216
Brea, CA 92821
Attn: David Sentenn

Our Order No.: 210-1106877-20
Your Reference: 3016 Eminencia Del N
When Replying Please Contact:
Advantage Title, Inc.
19500 Jamboree Road, 2nd Floor
Irvine, CA 92612
Attn: Cindy Spencer
(949)475-3623

Today's Date: June 27, 2011

Property Address: 3016 Eminencia Del Norte, San Clemente, CA 92673

In response to the application for a Policy of Title Insurance, Advantage Title, Inc. 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 and/or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

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

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Exhibit B of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the Policy or Policies of Title Insurance and should be carefully considered.

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

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

Dated as of June 8, 2011, at 07:30AM.

Cindy Spencer

Cindy Spencer
Title Officer
cindy.spencer@title365.com

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

ALTA Homeowner's Policy (1/1/08) ALTA Loan Policy 2006 with ALTA Endorsement-Form 1 Coverage
Underwritten by: Old Republic National Title Insurance Company

SCHEDULE A

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

A fee as to Parcel(s) 1. An easement as to Parcel(s) 2 & 3.

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

Bakulkumar K. Patel and Snehlata B. Patel, Trustees of The S and B Patel Family Trust, dated July 30, 2003, as to an undivided 25% interest; Vijay K. Patel and Manixa V. Patel, as Trustees of the Vijay K. Patel and Manixa V. Patel Living Trust dated August 26, 2004, as to an undivided 25% interest; The Patel Family Trust, Hasmukh Kantilal Patel, Vibha Patel being the Trustees, as to an undivided 25% interest; The Patel Family Trust, Jyotin K. Patel, Amita J. Patel being the Trustees, as to an undivided 25% interest

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

PARCEL 1:

LOT 23 OF TRACT NO. 11781, IN THE CITY OF SAN CLEMENTE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 531, PAGES 3 TO 10 INCLUSIVE OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET WITHOUT ANY RIGHT TO ENTER UPON THE SURFACE OR THE SUBSURFACE OF SAID LAND ABOVE A DEPTH OF 500 FEET, AS PROVIDED IN INSTRUMENTS OF RECORD, AND AS PROVIDED IN THAT CERTAIN PARTNERSHIP GRANT DEED, RECORDED MARCH 31, 1989 AS INSTRUMENT NO. 89-169491 OF OFFICIAL RECORDS.

PARCEL 2:

NON-EXCLUSIVE EASEMENTS FOR INGRESS, EGRESS, ACCESS, MAINTENANCE, REPAIR, DRAINAGE, ENCROACHMENT OR OTHER PURPOSES, ALL AS DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR FORSTER RANCH ESTATES, RECORDED MARCH 8, 1991 AS INSTRUMENT NO. 91 -107770, AND IN THE MASTER DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR FORSTER RANCH I, RECORDED AUGUST 31, 1984 AS INSTRUMENT NO. 84-355940, BOTH OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA (COLLECTIVELY REFERRED TO AS THE "DECLARATION").

PARCEL 3:

A NON-EXCLUSIVE EASEMENT APPURTENANT TO SUCH LOT FOR INGRESS, EGRESS, ACCESS, USE AND ENJOYMENT ON, OVER AND ACROSS THE COMMON AREA WITHIN THE PROJECT, AS MORE PARTICULARLY DESCRIBED IN THE DECLARATION.

APN: 680-541-12

SCHEDULE B

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

1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes, to be levied for the fiscal year 2011- 2012 which are a lien not yet payable.

2. General and Special City and/or County taxes, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2010 - 2011:
1st Installment: \$17,057.28 not paid-delinquent
Penalty: \$1,705.72
2nd Installment: \$17,057.28 not paid-delinquent
Penalty: \$1,728.72
Exemption: \$7,000.00
Code Area: 10006
Assessment No. 680-541-12

3. An assessment by the improvement district shown below:
Assessment (or Bond) No: 6555
Series: 95-1
District: San Clemente
For: Street Improvements
Bond issued: July 14, 1995
Said assessment is collected with the county/city property taxes.

4. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the revenue and taxation code of the State of California.

5. Assessments, if any, for community facility districts affecting said land which may exist by virtue of assessment maps or notices filed by said districts. Said assessments are collected with the County Taxes.

6. The property covered herein lies within the boundaries of pending assessment district no. 85-1, as disclosed by an assessment district map filed in book 28, page 1 of assessment maps, as instrument no. 86-028200, recorded January 22, 1986 and as disclosed by an assessment district map filed in book 29, page 1 of assessment maps, as instrument no. 86-143251, recorded April 10, 1986.

Note 1: the effect of an instrument entitled "Notice Of Assessment" recorded April 10, 1986 as instrument no. 86-143253 of official records; reference being made to the record thereof for full particulars.

Note 2: the effect of an instrument entitled "addendum to Notice of Assessment" recorded August 18, 1988 as instrument no. 88-410358 of official records; reference being made to the record thereof for full particulars.

Note 3: the effect of an instrument entitled "Addendum to Notice of Assessment" recorded June 26, 1989 as instrument no. 89 -334994 of official records; reference being made to the record thereof for full particulars.

7. An easement for the purpose shown below and rights incidental thereto as granted in a document:
Granted to: Southern Counties Gas Company
Purpose: pipe lines and incidental purposes
Recorded: November 30, 1979 in book 13416 page 899 of official records
Affects: a portion of said land

8. Limitations, reservations, provisions, assessments, liens and charges, as contained in a declaration of restrictions.
Recorded: August 31, 1984
Instrument/File No. 84-366940 of official records

Said declaration contains among other things the following:

- A. Certain easements.
- B. Assessments.
- C. Liens and the subordination thereof.
- D. Mortgage protection clause.

But omitting any covenant or restriction based on race, color, religion, sex, handicap, familial status or national origin unless and only to the extent said covenant (A) is exempt under Title 42, Section 3607 of the United States Code or (B) relates to handicap but does not discriminate against handicapped persons.

9. The dedication to the City of San Clemente of the storm drain system, the domestic water system and the sanitary sewer system and appurtenances as shown on the improvement plans for this tract, as recited on the map of said tract.
10. An easement or other provisions for the purposes shown below and rights incidental thereto as shown on the recorded map:
Map No: said Tract
Purpose: public utility purposes
Affects: 3 feet in width, along Eminencia Del Norte and Eminencia Del Sur
11. An easement for the purpose shown below and rights incidental thereto as granted in a document:
Granted to: San Diego Gas & Electric Company
Purpose: public utilities and incidental purposes
Recorded: March 15, 1985
Instr. No.: 85-090328 of official records
Affects: a portion of said land
12. An easement for the purpose shown below and rights incidental thereto as granted in a document:
Granted to: Southern California Gas Company
Purpose: pipelines and incidental purposes
Recorded: May 21, 1985
Instr. No.: 85-183789 of official records
Affects: a portion of Eminencia Del Norte and Eminencia Del Sur, (Private Streets)
13. An easement for the purpose shown below and rights incidental thereto as granted in a document:
Granted to: Pacific Bell
Purpose: public utilities and incidental purposes
Recorded: May 29, 1985
Instr. No.: 85-193427 of official records
Affects: a portion of "Eminencia Del Sur, and Eminencia Del Norte, (private streets) and said land
14. An easement for the purpose shown below and rights incidental thereto as granted in a document:
Granted to: San Diego Gas & Electric Company
Purpose: underground facilities appurtenance for the transmission and distribution of electricity, communication facilities, appurtenances and incidental purposes
Recorded: January 17, 1986
Instr. No.: 86-023514 of official records
Affects: Eminencia Del Norte (private street)

15. An easement for the purpose shown below and rights incidental thereto as granted in a document:
 Granted to: Southern California Gas Company, a corporation
 Purpose: pipe lines and incidental purposes
 Recorded: August 24, 1987
 Instr. No.: 87-479303 of official records
 Affects: a portion of Eminencia Del Sur (private street)
16. Limitations, reservations, provisions, assessments, liens and charges, as contained in a declaration of restrictions.
 Recorded: March 8, 1991
 Instrument/File No. 91-107770 of official records
- Said declaration contains among other things the following:
 A. Certain easements.
 B. Assessments.
 C. Liens and the subordination thereof.
 D. Mortgage protection clause.
- But omitting any covenant or restriction based on race, color, religion, sex, handicap, familial status or national origin unless and only to the extent said covenant (A) is exempt under Title 42, Section 3607 of the United States Code or (B) relates to handicap but does not discriminate against handicapped persons.
17. Terms, covenants, conditions and easements as granted by instrument dated May 27, 1992, executed by Robert Mark Schell and Kathy Lynn Schell, grantors, and Forster Ranch Estates Community Association, grantee, said instrument contains a grant of easement for the purpose of constructing, installing, maintaining and repairing a fence and gate entry structure and is located over that portion of the land described therein, recorded June 2, 1992 as instrument no. 92-369860 of official records.
18. Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby:
 Amount: \$1,385,450.00
 Dated: July 10, 1995
 Trustor: Hasmukh Kantilal Patel, a married man, as to an undivided 25% interest, Jyotin Kumar Kantilal Patel, a married man, as to an undivided 25% interest, Bakul Kumar Kantilal Patel, a married man, as to an undivided 25% interest, and Vijay Kumar Kantilal Patel, a married man, as to an undivided 25% interest, together as tenants in common
 Trustee: Southern California Title Company
 Beneficiary: Chase Manhattan Personal Financial Services, a Division of Chase Manhattan Mortgage Corporation its successors and/or assigns
 Recorded: July 12, 1995 as Instrument Number 95-0297095 of Official Records.
- a. This Company is in the process of investigating the status of the above item. Please be advised that, at this time, we find no release of record.
19. Any assessments which may be levied against the herein described property by virtue of the fact that said land lies within the boundaries of City of San Clemente Assessment District No. 85-1 adopted by City of San Clemente recorded July 2, 1999 at Instrument Number 19990494840 of Official Records subject also to all the conditions and provisions contained therein.

20. An easement for the purpose shown below and rights incidental thereto as granted in a document:
 Granted to: Forster Ranch Estates Community Association, a California nonprofit mutual benefit corporation
 Purpose: to establish, install, maintain, remove and reinstall gate entry structure, plants, shrubs, trees, other vegetation, irrigation sprinkler systems and incidentals for landscape purposes
 Recorded: April 10, 2002
 Instr. No.: 20020301642 of official records
 Affects: as therein described
21. Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby:
 Amount: \$1,500,000.00
 Dated: April 4, 2003
 Trustor: Hasmukh Kantilal Patel and Vibha Patel, husband and wife as joint tenants and Jyotin Kumar Kantilal Patel and Amita Patel, husband and wife as joint tenants and Bakul Kumar Kantilal Patel and Snehlata Patel, husband and wife as joint tenants and Vijay Kumar Kantilal Patel and Manixa Patel, husband and wife as joint tenants, all as tenants in common
 Trustee: Southland Title
 Beneficiary: Mortgage Electronic Registration System, Inc. MERS is a separate corporation that is acting solely as a nominee for Sea Breeze Financial Services, Inc., a corporation
 Recorded: April 18, 2003 as Instrument Number 2003000432996 of Official Records.
22. Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby:
 Amount: \$750,000.00
 Dated: December 6, 2004
 Trustor: Hasmukh Kantilal Patel and Vibha Patel, husband and wife as joint tenants and Jyotin Kumar Kantilal Patel and Amita Patel, husband and wife as joint tenants and Bakulkumar K. Patel and Snehlata B. Patel, Trustees of The S and B Patel Family Trust, dated July 30, 2003, Vijay K. Patel and Manixa V. Patel, as Trustees of The Vijay K. Patel and Manixa V. Patel Living Trust dated August 26, 2004, each as to an undivided 1/4 interest all as tenants in common
 Trustee: Ticor Title Company, a California corporation
 Beneficiary: Washington Mutual Bank, FA, a federal association
 Recorded: March 11, 2005 as Instrument Number 2005000181985 of Official Records.
- a. The above deed of trust is reflected as an equity line loan or a revolving line of credit. Prior to final payoff we will require a written statement from the beneficiary that the account has been frozen and or a full reconveyance must be submitted for recording concurrent with payoff.
23. A lien for unsecured property taxes filed by the tax collector of the county shown, for the amount set forth, and any other amounts due:
 County: Orange
 Fiscal Year: 1997
 Taxpayer: "One" Patel Hasmukh
 County ID: 97-086349
 Number: 97-086349
 Amount: \$334.67
 Recorded: September 6, 2001 at Instrument Number 2001-628320

24. An Abstract of judgment recorded October 10, 2001 as Instrument No. 20010712438 of official records:
Court: Superior Court of California, County of Orange
Case No.: 00NL19599
Entry Date: August 10, 2001
Debtor: "One" Hasmukh Patel
Creditor: Interinsurance Exchange of the Automobile Club
Amount: \$10,712.10 and any other amounts due thereunder.
Filing attorney's information-
Name: Arvid D. Nord III, Nord & De La Flor
Address: 170 S. Main Street Suite 200, Orange, California 92868
25. An Abstract of judgment recorded March 25, 2004 as Instrument No. 2004000245237 of official records:
Court: Superior Court of California, County of Orange
Case No.: 018923
Entry Date: October 2, 1997
Debtor: "One" Hasmukh Patel
Creditor: Charles Woo
Amount: \$1,523.92 and any other amounts due thereunder.
Filing attorney's information-
Name: Stephen C. Durringer, Esq., Stephen C. Durringer, Stephen C. Durringer & Associates
Address: 18002 Cowan First Floor, Irvine, California 92614
26. A lien for unsecured property taxes filed by the tax collector of the county shown, for the amount set forth, and any other amounts due:
County: Orange
Fiscal Year: 2007
Taxpayer: "One" Patel, Hasmukh
County ID: 07-363607
Number: 07-363607
Amount: \$348.90
Recorded: January 8, 2008 at Instrument Number 2008-00011733
27. A lien for unsecured property taxes filed by the tax collector of the county shown, for the amount set forth, and any other amounts due:
County: Orange
Fiscal Year: 2008
Taxpayer: "One" Patel, Hasmukh
County ID: 08-523193
Number: 08-523193
Amount: \$344.86
Recorded: November 5, 2008 at Instrument Number 2008-00509503
28. An Abstract of judgment recorded March 29, 2011 as Instrument No. 2011000161442 of official records:
Court: Superior Court of California, County of San Bernardino
Case No.: CIVDS906384
Entry Date: February 23, 2011
Debtor: "One" Amita Patel, et al
Creditor: Embassy Pacifica, Inc.
Amount: \$110,000.00 and any other amounts due thereunder.
Filing attorney's information-
Name: Newmeyer & Dillion, LLP, Jon J. Janecek, Carol S. Zaist
Address: 895 Dove Street, Fifth Floor, Newport Beach, California 92660
Phone Number: (949)854-7000

29. If title is to be insured in the trustee(s) of a trust or their act is to be insured, we will require a full copy of the trust agreement and any amendments thereto. In certain situations the Company may accept a Trustee certificate pursuant to Section 18100.5 of the California Probate Code for the trust agreement. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

Bakulkumar K. Patel and Snehlata B. Patel, Trustees of The S and B Patel Family Trust, dated July 30, 2003

30. If title is to be insured in the trustee(s) of a trust or their act is to be insured, we will require a full copy of the trust agreement and any amendments thereto. In certain situations the Company may accept a Trustee certificate pursuant to Section 18100.5 of the California Probate Code for the trust agreement. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

Vijay K. Patel and Manixa V. Patel, as Trustees of the Vijay K. Patel and Manixa V. Patel Living Trust dated August 26, 2004

31. If title is to be insured in the trustee(s) of a trust or their act is to be insured, we will require a full copy of the trust agreement and any amendments thereto. In certain situations the Company may accept a Trustee certificate pursuant to Section 18100.5 of the California Probate Code for the trust agreement. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

The Patel Family Trust, Hasmukh Kantilal Patel, Vibha Patel being the Trustees

32. If title is to be insured in the trustee(s) of a trust or their act is to be insured, we will require a full copy of the trust agreement and any amendments thereto. In certain situations the Company may accept a Trustee certificate pursuant to Section 18100.5 of the California Probate Code for the trust agreement. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

The Patel Family Trust, Jyotin K. Patel, Amita J. Patel being the Trustees

33. In order to complete this report, this Company requires a Statement of Information to be completed by the following party(ies),

Party(ies): All Parties

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

34. Matters which may be disclosed by an inspection or by a survey of said land satisfactory to this Company, or by inquiry of the parties in possession thereof.
35. An inspection of said land has been ordered; upon its completion we will advise you of our findings.
36. Note: to avoid delays at the time of closing, it will be necessary that a written statement from the Homeowner's Association that all liens, charges and/or assessments levied on said land have been paid. Said statement should include all amounts due up to and including the date of closing.

END OF SCHEDULE B

▲ ADVANTAGE TITLE, INC

19500 Jamboree Road, 2nd Floor, Irvine, CA 92612

Toll Free: (877)365-9365 ext. 3623 Direct: (949)475-3623 Fax: (949)252-2466

Attn:

Borrower: tbd tbd

Lenders supplemental report

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

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

B. The improvements on said land are designated as:

PUD (*Residential*)

3016 Eminencia Del Norte, in the City of San Clemente, County of Orange, State of California.

C. The only conveyance(s) affecting said land recorded with 24 months of the date of this report are as follows:

1. Deed Type: Quit Claim Deed
Grantor: Hasmukh Kantilal Patel and Vibha Patel, husband and wife as joint tenants, 25% interest
Grantee: The Patel Family Trust, Hasmukh Kantilal Patel, Vibha Patel being the Trustees
Recorded: July 27, 2009 as Instrument Number 2009000401260, of Official Records.
2. Deed Type: Quit Claim Deed
Grantor: Jyotin Kumar Kantilal Patel and Amita Patel, husband and wife as joint tenants
Grantee: The Patel Family Trust, Jyotin K. Patel, Amita J. Patel being the Trustees
Recorded: July 27, 2009 as Instrument Number 2009000401262, of Official Records.

Notes and Requirements Section

Note 1: On July 1, 1985, Assembly Bill 3132 became effective. Assembly Bill 3132 adds and repeals portions of Sections 480.3 and 480.4 of the Revenue and Taxation Code of the State of California.

The act requires the County Assessor and/or Recorder to make available a statutorily prescribed form entitled "Preliminary Change of Ownership Report". Said report must be completed by the buyer and filed concurrently with the recordation of the documents evidencing the change of ownership. Failure to present the Change of Ownership Report at the time of recordation will cause the County Recorder to charge an additional \$20.00 penalty recording fee. The fee cannot be charged if the transfer document is accompanied by the affidavit stating that the buyer/transferee is not a resident of the State of California. This report is for official use only and is not open to public inspection.

For further information, contact the Change of Ownership Section in the Assessor's Office located in the County of said property or the County Recorder's Office located in the County of said property.

Note 2: Attached are Privacy Policy Notices in compliance with the Gramm-Leach-Bliley Act (GLBA) effective July 1, 2001. Please review said Notices regarding personal information.

Note 3: The map attached hereto may or may not be a survey of the land depicted thereon. You should not rely upon it for any purpose other than orientation to the general location of the parcel or parcels depicted. This company expressly disclaims any liability for alleged loss or damage which may result from reliance upon this map.

Note 4: The RESPA Rule to simplify and improve of obtaining mortgages and reduce consumer settlement cost includes a provision for average charges, allowing settlement service providers to establish an average recording fee. The average recording charge for all residential refinance transactions is \$93.00 and the average recording charge for all residential resale transactions with financing is \$89.00. The average charge is applied regardless of the number of documents recorded in the transaction, the number of pages in each document or the actual recording charges. If your transaction is not a residential loan or sale with a new loan, please contact your title provider for actual recording charges. These average recording charges are subject to change in the future without notice.

Note 5: Part of the RESPA Rule to simply and improve the process of obtaining mortgages and reduce consumer settlement costs requires the settlement agent to disclose the agent and underwriter split of title premiums, including endorsements as follows:

Line 1107 is used to record the amount of the total title insurance premium, including endorsements, that is retained by the title agent. Advantage Title, Inc. retains 89% of the total premium and endorsements.

Line 1108 is used to record the amount of the total title insurance premium, including endorsements, that is retained by the title underwriter. Old Republic National Title Insurance Company retains 11% of the total premium and endorsements.

Notice Regarding Your Deposit of Funds

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

Wiring Instructions for this Office

City National Bank
1801 West Olympic Blvd., Los Angeles, CA 90006
Account No.: 013-635986
ABA No.: 122016066

Credit to the account of Advantage Title, Inc. Orange County Sub-Escrow Trust Account
Reference Title Order No.: 210-1106877-20 and Cindy Spencer, Title Officer

▲ ADVANTAGE TITLE, INC

19500 Jamboree Road, 2nd Floor, Irvine, CA 92612
Toll Free: (877)365-9365 ext. 3623 Direct: (949)475-3623 Fax: (949)252-2466

WIRE INSTRUCTIONS

Wire To: City National Bank
1801 West Olympic Blvd.
Los Angeles, CA 90006

ABA/Routing No.: 122016066

Bank Account: 013-635986

Credit To: Advantage Title, Inc. Orange County Sub-Escrow Trust Account

Reference Order No.: 210-1106877-20

Attention: Cindy Spencer, Title Officer

Do not hesitate to contact the undersigned should you or your financial institution have any questions with regards to the information provided above.

Sincerely,



Cindy Spencer
Title Officer
cindy.spencer@title365.com

PRIVACY POLICY NOTICE

We are committed to safeguarding customer information;

When we request information from you or about you, it is for our own legitimate business purposes and not for the benefit of any unaffiliated party;

We use personal consumer information only for legitimate business purposes in a manner consistent with title insurance and escrow practices in compliance with applicable laws and regulations;

We will obey the laws governing the collection, use, and dissemination of personal data; and

We will endeavor to educate our employees on the responsible collection and use of personal information.

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act ("GLBA") generally requires a financial institution (which term includes title insurers, underwritten title companies and those providing real estate settlement services) to disclose to all its customers the privacy policies and practices with respect to information sharing of consumer nonpublic personal information with both affiliates and non-affiliated third parties. In compliance with GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Advantage Title, Inc. This disclosure does not apply to business, commercial or agricultural transactions.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer-reporting agency.
- Information we receive from others involved in your transaction, such as the real estate agent, lender, surveyor or appraiser.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to non-affiliated third parties as permitted by law. This includes, but is not limited to, financial service providers (e.g., banks, consumer finance lenders, securities and insurance companies, etc.), non-financial companies (e.g., settlement or fulfillment service providers, or title plant operated by a third party vendor).

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

EXHIBIT "A"

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

PARCEL 1:

LOT 23 OF TRACT NO. 11781, IN THE CITY OF SAN CLEMENTE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 531, PAGES 3 TO 10 INCLUSIVE OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET WITHOUT ANY RIGHT TO ENTER UPON THE SURFACE OR THE SUBSURFACE OF SAID LAND ABOVE A DEPTH OF 500 FEET, AS PROVIDED IN INSTRUMENTS OF RECORD, AND AS PROVIDED IN THAT CERTAIN PARTNERSHIP GRANT DEED, RECORDED MARCH 31, 1989 AS INSTRUMENT NO. 89-169491 OF OFFICIAL RECORDS.

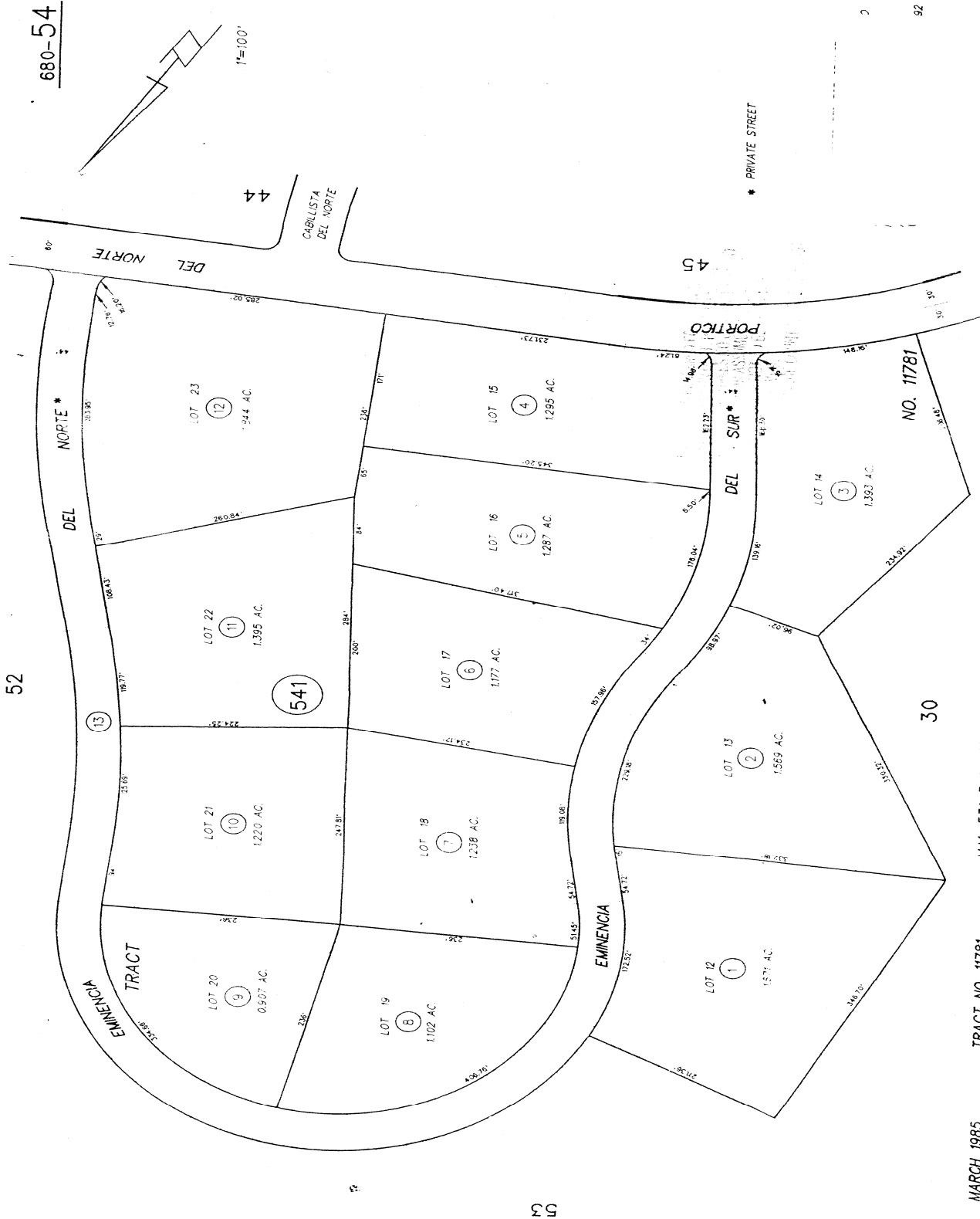
PARCEL 2:

NON-EXCLUSIVE EASEMENTS FOR INGRESS, EGRESS, ACCESS, MAINTENANCE, REPAIR, DRAINAGE, ENCROACHMENT OR OTHER PURPOSES, ALL AS DESCRIBED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR FORSTER RANCH ESTATES, RECORDED MARCH 8, 1991 AS INSTRUMENT NO. 91 -107770, AND IN THE MASTER DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR FORSTER RANCH I, RECORDED AUGUST 31, 1984 AS INSTRUMENT NO. 84-355940, BOTH OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA (COLLECTIVELY REFERRED TO AS THE "DECLARATION").

PARCEL 3:

A NON-EXCLUSIVE EASEMENT APPURTENANT TO SUCH LOT FOR INGRESS, EGRESS, ACCESS, USE AND ENJOYMENT ON, OVER AND ACROSS THE COMMON AREA WITHIN THE PROJECT, AS MORE PARTICULARLY DESCRIBED IN THE DECLARATION.

APN: 680-541-12



MARCH 1985

TRACT NO. 11781

M.M. 531-3 TO 10 INC.

NOTE - ASSESSOR'S BLOCK J
PARCEL NUMBERS
SHOWN IN CIRCLES

ASSESSOR'S MAP
BOOK 680 PAGE 54
COUNTY OF ORANGE

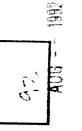


EXHIBIT B (REVISED 11-17-06)

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:

- (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.
- 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.
- 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.
- 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.
- 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.
- 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:

- 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.
- 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.
- Easements, liens or encumbrances, or claims thereof, 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 which are not shown by the public records.
- 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.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10/22/03) 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:

- Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning: a. building, b. zoning, c. Land use d. improvements on the Land, e. Land division, f. environmental protection. 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 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: 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.
- 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.
- 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 18.

LIMITATIONS ON COVERED RISKS

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

- For Covered Risk 14, 15, 16 and 18, 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 14:	1% of Policy Amount or \$2,500 (whichever is less)	\$10,000
Covered Risk 15:	1% of Policy Amount or \$5,000 (whichever is less)	\$25,000
Covered Risk 16:	1% of Policy Amount or \$5,000 (whichever is less)	\$25,000
Covered Risk 18:	1% of Policy Amount or \$2,500 (whichever is less)	\$5,000

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:

- 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.
- 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
- 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
- Failure to pay value for your title.
- 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.

ALTA LOAN POLICY (10-17-92) WITH ALTA 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:

- (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.
- 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.
- 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 (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 to 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.
- 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.
- 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.
- 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.
- Any claim, which arises out of the transaction creating the interest of the mortgage 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 or 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 judgement or lien creditor. 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) which arise by reason of:

- 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.
- 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.
- Easements, liens or encumbrances, or claims thereof, 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 which are not shown by the public records.
- 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.

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:

- (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.
- 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.

ALTA OWNER'S POLICY (10-17-92) 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.
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) 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.
4. 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 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 judgement or lien creditor. 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) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

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.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)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 areas 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. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this 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. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this 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) 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 (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or(e)resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured 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, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. 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 limit the coverage provided in Covered Risk 8.
- 8.Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:(a) The time of the advance; or(b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

For large print please view at www.title365.com under menu option Resources.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
08/25/2010

PRODUCER Aon Risk Insurance Services West, Inc. 707 Wilshire Blvd. Suite 2600 Los Angeles CA 90017	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED Advantage Title, Inc. 19500 Jamboree Road Irvine, CA 92612	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURERS AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC#</th> </tr> <tr> <td>INSURER A: Underwriters at Lloyd's, London</td> <td>15792</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> </table>	INSURERS AFFORDING COVERAGE	NAIC#	INSURER A: Underwriters at Lloyd's, London	15792	INSURER B:		INSURER C:		INSURER D:		INSURER E:	
INSURERS AFFORDING COVERAGE	NAIC#												
INSURER A: Underwriters at Lloyd's, London	15792												
INSURER B:													
INSURER C:													
INSURER D:													
INSURER E:													

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	<input type="checkbox"/>	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <hr/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	<input type="checkbox"/>	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/>	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	<input type="checkbox"/>	EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <hr/> DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under SPECIAL PROMSIONS below				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A		OTHER Title/Closing Agent & Title Abstractor Professional Liab	SUA12325	09/01/10	09/01/11	\$1,000,000 Aggregate \$375,000 SIR

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Evidence of Professional Liability (errors & omissions) insurance only.
 Insured Locations: 19500 Jamboree Rd., 2nd Floor, Irvine, CA 92612; 8880 Rio San Diego Dr., #102, San Diego, CA 92108; 43422 Business Park Dr., #108 & #110, Temecula, CA 92590; 4195 E. Thousand Oaks Blvd., #107, Westlake Village, CA 91362; 801 N. Brand Blvd., #320, Glendale, CA 91203; 7111 Indiana Ave., #300, Riverside, CA 92504 and 78-100 Main St., #209, La Quinta, CA 92253.

CERTIFICATE HOLDER Advantage Title, Inc. 19500 Jamboree Road Irvine, CA 92612	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Aon Risk Insurance Services West, Inc.
---	--



CERTIFICATE OF LIABILITY INSURANCE

DATE (MMDD/YYYY)
08/25/2010

PRODUCER Aon Risk Insurance Services West, Inc. 707 Wilshire Blvd. Suite 2600 Los Angeles CA 90017	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED Advantage Title, Inc. 19500 Jamboree Road Irvine, CA 92612	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURERS AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A: Underwriters at Lloyd's, London</td> <td>15792</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> </table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A: Underwriters at Lloyd's, London	15792	INSURER B:		INSURER C:		INSURER D:		INSURER E:	
INSURERS AFFORDING COVERAGE	NAIC #												
INSURER A: Underwriters at Lloyd's, London	15792												
INSURER B:													
INSURER C:													
INSURER D:													
INSURER E:													

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	<input type="checkbox"/>	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - C COMP/OP AGG \$
	<input type="checkbox"/>	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/>	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	<input type="checkbox"/>	EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> W/C STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A		OTHER Title Agent/Title Abstractor/ Closing Agent Bond	SUA3929	09/01/10	09/01/11	\$1,000,000 Limit/\$250,000 Ded. (D) \$1,000,000 Limit/\$250,000 Ded. (E) \$1,000,000 Limit/\$25,000 Ded. (G)

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Evidence of insurance only.

Insured Locations: 19500 Jamboree Rd., 2nd Floor, Irvine, CA 92612; 8880 Rio San Diego Dr., #102, San Diego, CA 92108; 43422 Business Park Dr., #108 & #110, Temecula, CA 92590; 4195 E. Thousand Oaks Blvd., #107, Westlake Village, CA 91362; 801 N. Brand Blvd., #320, Glendale, CA 91203; 7111 Indiana Ave., #300, Riverside, CA 92504 and 78-100 Main St., #209, La Quinta, CA 92253.

CERTIFICATE HOLDER

CANCELLATION

Advantage Title, Inc. 19500 Jamboree Road Irvine, CA 92612	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Aon Risk Insurance Services West, Inc.
--	---

Statement of Information (Confidential)

Note: This form is needed in order to eliminate judgments and liens against people with similar names

The street address of the property in this transaction is: (if none, leave blank)

Address _____ City _____

Occupied by: Owner Tenants Lessee Single Residence Multiple Residence Commercial Vacant Land

Any construction/improvements in last 6 months? Yes No Is any portion of new loan to be used for improvements? Yes No

If yes, state nature of work done or contemplated _____

Party 1

Party 2

First _____ Middle _____ Last _____

First _____ Middle _____ Last _____

Former last name(s), if any _____

Former last name(s), if any _____

Birthplace _____ Birth Date _____

Birthplace _____ Birth Date _____

Social Security No. _____ Driver's License No. _____

Social Security No. _____ Driver's License No. _____

I am single am married Have a domestic partner

I am single am married Have a domestic partner

Name of current spouse or domestic partner (if other than Party 2) _____

Name of current spouse or domestic partner (if other than Party 1) _____

Name of former spouse/domestic partner (if none, write "none") _____

Name of former spouse/domestic partner (if none, write "none") _____

Marriage or Domestic Partnership Between Parties 1 and 2

Are Parties 1 & 2: Married? _____ Domestic Partners? _____ Date of Marriage/Domestic Partnership: _____

Party 1 – Occupations for Last 10 Years

Present Occupation _____ Firm Name _____ Address _____ No. of Years _____

Prior Occupation _____ Firm Name _____ Address _____ No. of Years _____

Party 1 – Residences for Last 10 Years

Number and Street _____ City and State _____ From _____ To _____

Party 2 – Occupations for Last 10 Years

Present Occupation _____ Firm Name _____ Address _____ No. of Years _____

Prior Occupation _____ Firm Name _____ Address _____ No. of Years _____

Party 2 – Residences for Last 10 Years

Number and Street _____ City and State _____ From _____ To _____

Have any of the above parties owned or operated a business? Yes No If so, please list names _____

I have never been adjudged, bankrupt nor are there any unsatisfied judgments or other matters pending against me which might affect my title to this property, except as follows: _____

The undersigned declare under penalty of perjury that the above information is true and correct. (all parties must sign)

Date Signature

Signature

Home Phone Work Phone

Home Phone Work Phone

Email Address

Email Address

▲ ADVANTAGE TITLE, INC

19500 Jamboree Road, 2nd Floor, Irvine, CA 92612
Toll Free: (877)365-9365 ext. 3623 Direct: (949)475-3623 Fax: (949)252-2466

Title Company: Advantage Title, Inc.
Title Order No.: 210-1106877-20
Escrow Holder:
Escrow No.: 210-1106877-20

CERTIFICATION OF TRUSTEES UNDER TRUST (California Probate Code Section 18100.5)

1. Declarant(s), the currently acting Trustee(s) of the Trust, certify the existence of the following described Trust and facts regarding said Trust:
Name of Trust: _____
Made Under the Laws of the State of _____
Date of Execution of Trust: _____
The name of the Trustee(s) now qualified to act under the Trust instrument and who are the only qualified Trustee(s): _____
Settlor(s): _____
Social Security No. or Employer Identification No. _____
2. Declarant(s) certify that if fewer than all currently acting Trustees are required to sign, the Trustee(s) named below are all those necessary to execute documents on behalf of the Trust:
Trustee(s) _____

3. Declarant(s) certify that the Trust is in full force and effect and has not been revoked, terminated, or otherwise amended in any manner which would cause the representation in this Certification to be incorrect, except as follows:

4. The Trust is irrevocable
 revocable and the person(s) holding the power to revoke is/are:

5. The manner in which title to Trust assets is to be taken is:

6. Declarant(s) state that the above named trustee(s) is/are fully empowered to act for said trust and is/are properly exercising his/her/their authority under said Trust in negotiating for, contracting for, and executing these document(s).

7. Declarant(s) state(s) that to the best of his/her/their knowledge, there are no claims, challenges of any kind or causes of action alleged, contesting or questioning the validity of the Trust or the trustee's authority to act for the trust.

This document is to be signed by all of the currently acting Trustees:

I declare that the statements contained herein are true and correct and are made under penalty of perjury, this day of _____, 20_____.

Signature

Address

Name (Type or Print)

Signature

Address

Name (Type or Print)

Subscribed and sworn (or affirmed) before me on this _____ day of _____,
20_____, by _____, proved to me on the basis of satisfactory
evidence to be the person(s) who appeared before me.

Notary Signature: _____

Space below reserved for notary seal.

▲ ADVANTAGE TITLE, INC

19500 Jamboree Road, 2nd Floor, Irvine, CA 92612
Toll Free: (877)365-9365 ext. 3623 Direct: (949)475-3623 Fax: (949)252-2466

To: Payoff Lender

Date: June 27, 2011

Escrow No.: 210-1106877-20

Loan No.:

Borrower(s): Jyotin K Patel

Attn: Line of Credit - Payoff Dept.

Property Address: 3016 Eminencia Del Norte
San Clemente, CA 92673

With regard to our equity/credit line with the account number of _____ we hereby certify that:

TO LENDER:

I/We hereby request that the above referenced credit line account be FROZEN as of the date of your receipt of this notice. I/We contemplate payment in full of the Note secured by Trust Deed shortly through the above referenced escrow with . I/We agree NOT to request any advances on this account on or after the date of this letter.

TO .:

I/We further warrant to that I/we, as of the date shown above, will no longer use the referenced credit line account and will immediately destroy all unused checks.

I/We fully understand and acknowledge that if funds from the referenced credit line account are advanced, for whatever purpose and/or reason, with or without my/our consent, that I/we will be held fully responsible to immediately deposit with sufficient funds to cover the advance(s). In the event funds are remaining in escrow for the payment of the advance(s) in full or in part, is hereby instructed to utilize said funds until exhausted and make demand for the balance from me/us, if necessary.

Sincerely,

Jyotin K Patel

PRELIMINARY CHANGE OF OWNERSHIP REPORT

To be completed by the transferee (buyer) prior to a transfer of subject property, in accordance with section 480.3 of the Revenue and Taxation Code. A *Preliminary Change of Ownership Report* must be filed with each conveyance in the County Recorder's office for the county where the property is located. Please answer all questions in each section, and sign and complete the certification before filing. This form may be used in all 58 California counties. If a document evidencing a change in ownership is presented to the Recorder for recordation without the concurrent filing of a *Preliminary Change of Ownership Report*, the Recorder may charge an additional recording fee of twenty dollars (\$20).

NOTICE: The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. Supplemental assessments are not paid by the title or escrow company at close of escrow, and are not included in lender impound accounts. **You may be responsible for the current or upcoming property taxes even if you do not receive the tax bill.**

SELLER/TRANSFEROR Jyotin K Patel		ASSESSOR'S PARCEL NUMBER		
BUYER/TRANSFeree tbd tbd		BUYER'S DAYTIME TELEPHONE NUMBER ()		
STREET ADDRESS OR PHYSICAL LOCATION OF REAL PROPERTY 3016 Eminencia Del Norte, San Clemente, CA 92673				
MAIL PROPERTY TAX INFORMATION TO (NAME) tbd tbd				
ADDRESS		CITY	STATE	ZIP CODE
<input type="checkbox"/> YES	<input type="checkbox"/> NO	This property is intended as my principal residence. If YES, please indicate the date of occupancy or intended occupancy.		MO DAY YEAR

PART 1. TRANSFER INFORMATION *Please complete all statements.*

- YES NO**
- A. This transfer is solely between spouses (*addition or removal of a spouse, death of a spouse, divorce settlement, etc.*).
 - B. This transfer is solely between domestic partners currently registered with the California Secretary of State (*addition or removal of a partner, death of a partner, termination settlement, etc.*).
 - *C. This is a transfer between: parent(s) and child(ren) grandparent(s) and grandchild(ren).
 - *D. This transaction is to replace a principal residence by a person 55 years of age or older.
Within the same county? YES NO
 - *E. This transaction is to replace a principal residence by a person who is severely disabled as defined by Revenue and Taxation Code section 69.5. Within the same county? YES NO
 - F. This transaction is only a correction of the name(s) of the person(s) holding title to the property (*e.g., a name change upon marriage*).
If YES, please explain: _____
 - G. The recorded document creates, terminates, or reconveys a lender's interest in the property.
 - H. This transaction is recorded only as a requirement for financing purposes or to create, terminate or reconvey a security interest (*e.g., cosigner*)? If YES, please explain: _____
 - I. The recorded document substitutes a trustee of a trust, mortgage, or other similar document.
 - J. This is a transfer of property:
 - 1. to/from a revocable trust that may be revoked by the transferor and is for the benefit of the transferor, and/or the transferor's spouse registered domestic partner.
 - 2. to/from a trust that may be revoked by the creator/grantor/trustor who is also a joint tenant, and which names the other joint tenant(s) as beneficiaries when the creator/grantor/trustor dies.
 - 3. to/from an irrevocable trust for the benefit of the creator/grantor/trustor and/or grantor's/trustor's spouse grantor's/trustor's registered domestic partner.
 - 4. to/from an irrevocable trust from which the property reverts to the creator/grantor/trustor within 12 years.
 - K. This property is subject to a lease with a remaining lease term of 35 years or more including written options.
 - L. This is a transfer between parties in which proportional interests of the transferor(s) and transferee(s) in each and every parcel being transferred remain exactly the same after the transfer.
 - M. This is a transfer subject to subsidized low-income housing requirements with governmentally imposed restrictions.
 - *N. This transfer is to the first purchaser of a new building containing an active solar energy system.

* If you checked YES to statements C, D, or E, you may qualify for a property tax reassessment exclusion, which may allow you to maintain your previous tax base. If you checked YES to statement N, you may qualify for a property tax new construction exclusion. A claim form must be filed and all requirements met in order to obtain any of these exclusions. Contact the Assessor for claim forms.

Please provide any other information that will help the Assessor understand the nature of the transfer.

THIS DOCUMENT IS NOT SUBJECT TO PUBLIC INSPECTION

PART 2. OTHER TRANSFER INFORMATION

Check and complete as applicable.

- A. Date of transfer, if other than recording date: _____
- B. Type of transfer:
 Purchase Foreclosure Gift Trade or exchange Merger, stock, or partnership acquisition (Form BOE-100-B)
 Contract of sale. Date of contract: _____ Inheritance. Date of death: _____
 Sale/leaseback Creation of a lease Assignment of a lease Termination of a lease. Date lease began: _____
 Original term in years (including written options): _____ Remaining term in years (including written options): _____
 Other. Please explain: _____
- C. Only a partial interest in the property transferred. YES NO If YES, indicate the percentage transferred: _____ %

PART 3. PURCHASE PRICE AND TERMS OF SALE

Check and complete as applicable.

- A. Total purchase or acquisition price
- Do not include closing costs or mortgage insurance. \$ _____
- Down payment: \$ _____ Interest rate: _____ % Seller-paid points or closing costs: \$ _____
 Balloon payment: \$ _____
- Loan carried by seller Assumption of Contractual Assessment* with a remaining balance of: \$ _____
 *An assessment used to finance property-specific improvements that constitutes a lien against the real property.
- B. The property was purchased: Through real estate broker. Broker name: _____ Phone number: () _____
 Direct from seller From a family member
 Other. Please explain: _____
- C. Please explain any special terms, seller concessions, financing, and any other information (e.g., buyer assumed the existing loan balance) that would assist the Assessor in the valuation of your property.

PART 4. PROPERTY INFORMATION

Check and complete as applicable.

- A. Type of property transferred
 Single-family residence Co-op/Own-your-own Manufactured home
 Multiple-family residence. Number of units: _____ Condominium Unimproved lot
 Other Description: (i.e., timber, mineral, water rights, etc.) Timeshare Commercial/Industrial

- B. YES NO Personal/business property, or incentives, are included in the purchase price. Examples are furniture, farm equipment, machinery, club memberships, etc. Attach list if available.
 If YES, enter the value of the personal/business property: \$ _____
- C. YES NO A manufactured home is included in the purchase price.
 If YES, enter the value attributed to the manufactured home: \$ _____
 YES NO The manufactured home is subject to local property tax. If NO, enter decal number: _____
- D. YES NO The property produces rental or other income.
 If YES, the income is from: Lease/rent Contract Mineral rights Other: _____
- E. The condition of the property at the time of sale was: Good Average Fair Poor

CERTIFICATION

*I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing and all information hereon, including any accompanying statements or documents, is true and correct to the best of my knowledge and belief. **This declaration is binding on each and every buyer/transferee.***

SIGNATURE OF BUYER/TRANSFeree OR CORPORATE OFFICER U	DATE
NAME OF BUYER/TRANSFeree/LEGAL REPRESENTATIVE/CORPORATE OFFICER (PLEASE PRINT)	TITLE
E-MAIL ADDRESS	

The Assessor's office may contact you for additional information regarding this transaction.