



*First American Title*

## **First American Title Company**

**6683 Owens Drive  
Pleasanton, CA 94588**

This report has been amended/updated to reflect the following matters:

- No changes made to the report other than the Effective Date
- Property address has been revised
- Vesting has been revised
- Legal Description has been revised
- Taxes have been updated
- Original item number(s) have been removed
- New item number(s) 47a have been added
- Original item number(s) have been revised
- Other:

**UPDATED**



*First American Title*

## **First American Title Company**

**6683 Owens Drive  
Pleasanton, CA 94588**

Escrow Officer: Diane Burton  
Phone: (925)738-4050  
Fax No.: (866)648-7806  
E-Mail: dburton@firstam.com

Title Officer: Jim Benson  
Phone: (925)225-2643  
Fax No.: (866)493-5440  
E-Mail: jbenson@firstam.com

E-Mail Loan Documents to: Please contact the Escrow Officer for email address for sending loan documents.

Property: Treasure Island and Yerba Buena Island  
San Francisco, California

### **PRELIMINARY REPORT**

In response to the above referenced application for a policy of title insurance, this 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 below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A 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 A. Copies of the policy forms should be read. They are available from the office which issued this report.

**Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A 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.**

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

Dated as of November 27, 2013 at 7:30 A.M.

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

ALTA Extended Loan Policy - 2006

ALTA Extended Owner Policy - 2006

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:

United States of America and the State of California, as their interests may appear as to tide and submerged lands and United States of America as to the remainder

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

A fee as to Parcel(s) ONE, ONE-A AND ONE-B, an easement as to Parcel(s) TWO, THREE, FOUR, S2, S3, S4 and N13.

The Land referred to herein is described as follows:

(See attached Legal Description)

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

**THE FOLLOWING TITLE EXCEPTIONS AFFECT PARCELS ONE,  
ONE-A, ONE-B, TWO, THREE AND FOUR:**

1. Intentionally Deleted
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.
- 2a. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District No. 90-1 of the San Francisco Unified School District, as disclosed by Notice of Special Tax Lien recorded July 5, 1990 as Instrument No. E573343 of Official Records.
3. Rights and Easements for Commerce, Navigation and Fishery.  
Affects: tide and submerged lands
4. Any adverse claim based upon the assertion that some portion of said land is tide or submerged lands, or has been created by artificial means or has accreted to such portion so created.

5. Intentionally Deleted
6. Intentionally Deleted
7. Intentionally Deleted
8. Intentionally Deleted
9. Intentionally Deleted
10. The terms, conditions, reservations and provisions (including easement provisions) of the Act of the Legislature of March 9, 1897 (1897 Cal. Stat. ch. 81, page 74) entitled "An Act relinquishing to the United States of America the title of this State to certain land" and the effect of any failure to comply therewith.  
  
(Affects tide and submerged land for a distance of 300 yards beyond the low water mark)
11. Intentionally Deleted
12. The terms, conditions, reservations and provisions (including easement provisions) of the Act of the Legislature of October 12, 1997 (1997 Cal. Stat. ch. 898, page 6444) and as same may be amended and the effect of any failure to comply therewith.
13. Intentionally Deleted
14. Intentionally Deleted
15. Intentionally Deleted
16. The Terms, Provisions and Easement(s) contained in the document entitled "Agreement between United States of America and State of California relating to the San Francisco-Oakland Bay Bridge Crossing", executed by and between United States of America, acting by and through the Department of the Navy and State of California, acting by and through the Department of Public Works, recorded February 14, 1963 as Book A542, Page 874, Instrument No. L67470 of Official Records.
17. An easement for a communication cable line and incidental purposes, recorded January 7, 1966 as Book B6, Page 29 of Official Records.  
In Favor of: The Pacific Telephone and Telegraph Company  
Affects: portions of Parcels One, One-A and Three on Yerba Buena Island
18. An easement for underground conduits and cables and incidental purposes, recorded June 8, 1967 as Book B150, Page 161 of Official Records.  
In Favor of: The Pacific Telephone and Telegraph Company  
Affects: A portion of Parcel One-B
19. Intentionally Deleted

20. An easement for a communication cable line and incidental purposes, recorded October 23, 1968 as Book B283, Page 351 of Official Records.  
In Favor of: The Pacific Telephone and Telegraph Company  
Affects: portions of Parcels One-B, Three and Four
21. An easement for telephone facilities and incidental purposes, recorded November 13, 1968 as Instrument No. R25940, Book B288, Page 949 of Official Records.  
In Favor of: Pacific Telephone and Telegraph Company  
Affects: a portion of Parcel One-B
22. The terms, provisions and easements contained in the document entitled Agreement for Bridge and Highway Purposes, executed by and between Department of Public Works, Division of Highways, Division of Toll Crossings and the California Toll Bridge Authority of the State of California and the San Francisco Port Authority and , recorded February 27, 1969, in Book B315, Page 786 as Instrument No. R45666 of Official Records.
23. An easement for a communication cable line and incidental purposes, recorded June 24, 1969 as Book B347, Page 264 of Official Records.  
In Favor of: The Western Union Telegraph Company  
Affects: southwestern portions of Parcel One on Yerba Buena Island and a portion of Parcel Three
24. An easement for a communication cable line and incidental purposes, recorded December 14, 1971 as Book B586, Page 946 of Official Records.  
In Favor of: The Pacific Telephone and Telegraph Company  
Affects: a southwestern portion of Parcel One on Yerba Buena Island and a portion of Parcel Three
25. An easement for communication cable and related facilities and incidental purposes, recorded April 19, 1977 as Instrument No. Z096273, Book C350, Page 552 of Official Records.  
In Favor of: Pacific Telephone and Telegraph Company  
Affects: a western portion of Yerba Buena Island
26. An easement for communication lines and appurtenant structures and incidental purposes, recorded November 9, 1979 as Instrument No. C46224, Book C894, Page 692 of Official Records.  
In Favor of: Western Union Telegraph Company, A New York Corporation  
Affects: a western portion of Parcel One on Yerba Buena Island and a portion of Parcel Three
27. An easement for an underground conduit structure and incidental purposes, recorded May 31, 1989 as Instrument No. E374419, Book E881, Page 1426 of Official Records.  
In Favor of: Pacific Bell  
Affects: a portion of Parcel One-B and a portion of Parcel Three
28. Intentionally Deleted

29. An easement for an underground conduit structure for a submarine cable and incidental purposes, recorded May 3, 1993 as Instrument No. F347788, Reel F870, Image 718 of Official Records.

In Favor of: American Telephone and Telegraph Company  
Affects: a portion of Treasure Island

Assignment of right of way, upon the terms, covenants and conditions thereof, for the purposes state herein and incidental purposes created in that certain instrument

Assignee: Nextlink California, LLC  
Recorded: August 3, 2000, Reel H693, Page 337, Official Records  
Series: 2000-809079

30. The terms and provisions contained in the document entitled "Retraction of Legislative Jurisdiction" recorded August 14, 1997 as Instrument No. 1997-G199972, Reel G946, Page 529 of Official Records.

NOTE: This title exception will be deleted upon the recording of a deed divesting the United States of America of its interest in the land.

31. An unrecorded lease, executed by The United States of America, acting by and through the Department of the Navy as lessor and Treasure Island Development Authority, a non-profit public benefit corporation as lessee, as disclosed by a Memorandum of Lease recorded April 14, 1999 as Instrument No. 99-G550349-00, Reel H363, Image 312 of Official Records.

(Affects a portion of Treasure Island and a portion of Yerba Buena Island)

32. An unrecorded Sublease, executed by Treasure Island Development Authority, a non-profit public benefit corporation as Sublessor and The John Stewart Company, a California corporation as Sublessee, as disclosed by a Memorandum of Sublease recorded April 14, 1999 as Instrument No. 99-G550350, Reel H363, Image 313 of Official Records.

(Affects a portion of Treasure Island and a portion of Yerba Buena Island)

33. Intentionally Deleted

34. Notices, covenants, conditions, reservations in fee, easements (including, but not limited to, Temporary Construction Easements), relinquishment of abutters rights and access rights to freeway and other matters (including a notice of the existence of hazardous waste within the parcels subject to the quitclaim deed referenced below) as set forth in that certain instrument Entitled: Quitclaim Deed

Executed by and between: United States of America, acting by and through the Department of Transportation, Federal Highway Administration and State of California, acting by and through the Department of Transportation  
Recorded: October 26, 2000 in Reel H751, Image 410, Official Records  
Instrument No: 2000-G855531

35. Intentionally Deleted

36. The terms and provisions contained in the document entitled Consent to Common Use Agreement (Quitclaim and Easement for Utilities), executed by and between United States of America, acting by and through the Department of the Navy and the State of California, acting by

and through the Department of Transportation and , recorded November 10, 2004, in Reel I762, Image 888 as Instrument No. 2004-H849471 of Official Records.

Purpose: Operation, maintenance, repair, replacement, rehabilitation and inspection of, and access to utilities.

37. Notices, covenants, conditions, reservations in fee, easements (including, but not limited to, Temporary Construction Easements), relinquishment of abutters rights and access rights to freeway, restrictions and other matters (including a notice of the existence of hazardous waste within the parcels subject to the quitclaim deed referenced below) as set forth in that certain instrument  
Entitled: Quitclaim Deed  
Executed by: United States of America, acting by and through the Department of Transportation, Federal Highway Administration and State of California, acting by and through the Department of Transportation  
Recorded: December 2, 2004 in Reel I775, Image 477, Official Records  
Instrument No: 2004-H860853

38. Intentionally Deleted

39. The terms and provisions contained in the document entitled Disposition and Development Agreement, executed by and between Treasure Island Development Authority and Treasure Island Community Development, LLC and , recorded August 10, 2011, in Book K457, Page 142 as Instrument No. 2011-J235239 of Official Records.

Said document includes a notice of Federal Facility Site Remediation Agreement.

40. The terms and provisions contained in the document entitled Development Agreement, executed by and between City and County of San Francisco and Treasure Island Community Development, LLC and , recorded August 10, 2011, in Book K457, Page 143 as Instrument No. 2011-J235240 of Official Records.

41. Any facts, rights, interests or claims which would be disclosed by a correct ALTA/ACSM survey.

42. Intentionally Deleted

43. Intentionally Deleted

44. Rights of parties in possession.

45. Intentionally Deleted

46. Intentionally Deleted

47. Intentionally Deleted

- 47a. Easements for access, construction and incidental purposes, recorded November 27, 2013 as Instrument No. 2013-J798283 of Official Records.

In Favor of: Treasure Island Development Authority  
Affects: Portions of the land

Terms and provisions contained in the above document.

**THE FOLLOWING TITLE EXCEPTIONS AFFECT PARCELS S2, S3, S4  
AND N13:**

48. Intentionally Deleted
49. Rights and easements for commerce, navigation and fishery.  
  
Said matter affects Parcel S2, S3 and S4.
50. THE TERMS AND CONDITIONS of Legislative Grant Statutes of 1911, Chapter 657, and Legislative Grant Statutes of 1931, Chapter 621.  
  
Affects: Parcels S2, S3 and S4.
51. Any easements or lesser rights in favor of Pacific Gas and Electric Company or others, to use, operate, maintain or reconstruct an existing line of electric poles and wires as disclosed by the Indenture recorded April 23, 1941, Instrument No. OO-22157, Book 4017, Page 485 of Official Records.  
  
Said matter affects those portions of Parcels S3 and S4 lying within 14th Street.
52. An easement for outfall sewer line and incidental purposes, recorded September 23, 1949 as Instrument No. AD-64847, Book 5894, Page 349 of Official Records.  
In favor of: East Bay Municipal Utility District  
Affects: A portion of Parcel S3  
  
Terms and provisions contained in the above document.
53. An easement for rail, roadway and utility purposes, right of access and incidental purposes, recorded February 24, 1960 as Instrument No. AR21105, Reel 32, Image 660 and Instrument No. AR21106, Reel 32, Image 644 of Official Records.  
In Favor of: The City of Oakland  
Affects: Portions of Parcel S3
54. An unrecorded easement for gas pipeline and incidental purposes dated March 15, 1966, as disclosed by the Grant of Easement recorded December 26, 1989 as Instrument No. 89-345502 of Official Records.  
In Favor of: Pacific Gas and Electric Company  
Affects: Parcel N13
55. The terms and provisions contained in the document entitled Grant of Easement recorded March 7, 1984 as Instrument No. 84-043869 of Official Records.  
  
Said matter affects Parcel N13.



56. An easement for electric overhead transmission pole line and incidental purposes, recorded March 25, 1993 as Instrument No. 93093885 of Official Records.  
In Favor of: Pacific Gas & Electric Company  
Affects: A portion of Parcel S2.
57. The terms, provisions and other matters contained in the document entitled Quitclaim Deed (including notices of the existence of hazardous waste within the parcels described in said document), recorded June 15, 1999 as Instrument No. 99222447 of Official Records.  
  
Document re-recorded December 3, 2002 as Instrument No. 2002561013 of Official Records.  
  
Said matters affect Parcel S2.
58. An easement for temporary construction and incidental purposes, recorded February 13, 2002 as Instrument No. 2002072862 of Official Records.  
In Favor of: The State of California, Department of Transportation  
Affects: A portion of Parcel S3  
  
Terms, provisions and other matters contained in the above document (including a notice of the existence of hazardous waste within the parcels described in said document).
59. An easement for road purposes and incidental purposes, recorded February 13, 2002 as Instrument No. 2002072864 of Official Records.  
In Favor of: The State of California  
Affects: A portion of Parcel S3  
  
Terms, provisions and other matters contained in the above document (including a notice of the existence of hazardous waste within the parcels described in said document).
60. The terms, provisions and other matters contained in the document entitled Quitclaim Deed for No-Cost Economic Development Conveyance Parcel (including a notice of the existence of hazardous waste within the parcels described in said document), recorded August 8, 2003 as Instrument No. 2003466370 of Official Records.  
  
Said matter affects Parcel S3.
61. An unrecorded easement (DA-04-167-Eng-2830) for water pipeline and incidental purposes, dated June 15, 1964, as disclosed by the Quitclaim Deed recorded August 8, 2003 as Instrument No. 2003466370 of Official Records.  
In Favor of: East Bay Municipal Utility District  
Affects: A portion of Parcel S3  
  
Terms and provisions contained in the above document.
62. An unrecorded easement (DACA05-2-70-01) for underground communication cable line and incidental purposes, dated January 8, 1970, as disclosed in the Quitclaim Deed recorded August 8, 2003 as Instrument No. 2003466370 of Official Records.  
In Favor of: The Pacific Telephone and Telegraph Company  
Affects: A portion of Parcel S3

Terms and provisions contained in the above document.

63. An unrecorded easement (SFRE (S) 499) for underground communication cable line and incidental purposes, dated January 25, 1954, as amended by supplements dated June 29, 1965, May 19, 1966, May 29, 1968 and June 23, 1970, as disclosed by the quitclaim deed recorded August 8, 2003 as Instrument No. 2003466370 of Official Records.

In Favor of: The Pacific Telephone and Telegraph Company  
Affects: A portion of Parcel S3

Terms and provisions contained in the above document.

64. Intentionally Deleted

65. The terms, provisions and other matters contained in the document entitled Quitclaim Deed (including a notice of the existence of hazardous waste within the parcels described in said document), recorded June 29, 2007 as Instrument No. 2007243218 of Official Records.

Said matter affects Parcel S4.

66. Any facts, rights, interests or claims which would be disclosed by a correct ALTA/ACSM survey.

67. Intentionally Deleted

68. The requirement that the easements described in Parcels S2, S3, S4 and N13 be included the recorded deed to the proposed insured or that a sufficient assignment of those easements to the proposed insured be recorded.

69. The requirement that the United States Department of the Navy provide written confirmation that no off-record agreements have been executed that supersede the easement reservations described in Parcels S3 and S4 of this report (as contemplated in provisions of the documents containing the reservations).

<b>INFORMATIONAL NOTES</b>
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Note: 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 or 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.

1. General and special taxes and assessments for the fiscal years 2013-2014 are currently exempt.
2. Consider City of San Francisco Transfer Tax:
  - \$100 to \$250,000 at \$2.50 per \$500 (\$5.00 per thousand)
  - \$250,00 to \$1,000,000 at \$3.40 per \$500 (\$6.80 per thousand)
  - \$1,000,000 to \$5,000,000 at \$3.75 per \$500 (\$7.50 per thousand)
  - \$5,000,000 to \$10,000,000 at \$10.00 per \$500 (\$20.00 per thousand)
  - \$10,000,000 or more at \$12.50 per \$500 (\$25.00 per thousand)

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

## LEGAL DESCRIPTION

Real property in the City and County of San Francisco, State of California, described as follows:

### PARCEL ONE:

Treasure Island Development Authority Property:

All those lands comprised of portions of the lands commonly known as Treasure Island and Yerba Buena Island lying within the City and County of San Francisco, State of California as described and defined in and subject to the terms, conditions, reservations and provisions of the Treasure Island Public Trust Exchange Act as set forth in the Act of Legislature of approved October 13, 2007 (Chapter 898, Statutes of 1997) and as same may be further amended said lands being and more particularly described as follows:

That portion of the lands described in that certain Presidential Reservation of Goat Island (now Yerba Buena Island), dated November 6, 1850, lying northwesterly of Parcel 57935-1 as described in that certain Quitclaim Deed, recorded October 26, 2000, as Document Number 2000G855531, in the office of the Recorder of the said City and County of San Francisco (hereinafter referred to as Doc. 2000G855531), together with all of the underlying fee to Parcel 57935-5 as described in said Quitclaim Deed (Doc. 2000G855531),

And all of the underlying fee to Parcel 57935-6 as described in said Quitclaim Deed (Doc. 2000G855531),

And also that portion of the tide and submerged lands in San Francisco Bay, relinquished to the United States of America by that certain act of the Legislature of the State of California by Statutes of the State of California of 1897, Chapter 81 (hereinafter referred to as Stat. 1897, Ch. 81), and also together with all of the Tidelands and Submerged Lands in San Francisco Bay known as Treasure Island as described in that certain Final Judgment of Condemnation, filed April 3, 1944, in the District Court of the United States in and for the Northern District of California, Southern Division, Case Number 22164-G (hereinafter referred to as Case 22 164-G),

Excepting therefrom, that portion of the said Tidelands and Submerged Lands in San Francisco Bay known as Treasure Island (Case 22164-G), commonly referred to as the Job Corps Center, Treasure Island, which was transferred to the United States Department of Labor by that certain document entitled "Transfer and Acceptance of Military Real Property", Dated March 3, 1998,

And also excepting therefrom, that portion of the said Tide and Submerged Lands in San Francisco Bay, relinquished to the United States of America (Stat. 1897, Ch. 81), within the "Army Reservation, Occupied by U.S. Light House Service under Permit from Secretary of War dated May 27, 1872" as shown and described upon that certain map entitled "Plat of Army and Navy reservations on Yerba Buena (Goat) Island, San Francisco Bay, California",

And further excepting therefrom, that portion of the Tide and Submerged Lands in San Francisco Bay, relinquished to the United States of America (Stat. 1897, Ch. 81) which were transferred to the United States Coast Guard by that certain document entitled "Transfer and Acceptance of Military Real Property", Dated November 26, 2002.

Also excepting therefrom portions of the following properties within the said tide and submerged lands relinquished by Statue 1897, Chapter 81 which were transferred to the United Sates Coast Guard: a 1.0835 acre parcel transferred per form 1354 Transfer and Acceptance of Military Real Property dated April 17, 1998; a 2.71 acre parcel transferred by letter dated August 20, 1974 signed by Harold J. Hansen, accepted by J.B. Hayes, Rear Admiral, US Coast Guard; a 8.207 acre parcel transferred per form

1354, Transfer and Acceptance of Military Real Property dated June 14, 1967;

And also excepting therefrom that portion of said Tide and Submerged Lands relinquished by Statue 1897, Chapter 81, which is a part of Parcel 57935-1 as described in that certain Quitclaim Deed, recorded October 26, 2000 as Document Number 2000G855531, in the Office of the Recorder of the City and County of San Francisco.

Also excepting therefrom, those portions conveyed to the Treasure Island Development Authority by the Deed recorded November 27, 2013 as Document No. 2013-J798283 in the Official Records of the City and County of San Francisco.

As portions of said land are shown on that certain Record of Survey filed for record July 15, 2003 in Book AA of maps at pages 85 through 95, inclusive, and as shown on the map entitled "Map and Metes and Bounds Description of United States Military and Naval Reservations, Yerba Buena (Goat) Island, California" including land ceded by the State of California by Act of Legislature of the State of California, approved March 9, 1897 (Stat. Cal., 1897, p. 74) filed April 12, 1934 in Book N of Map at Page 14, in the Office of the Recorder of the City and County of San Francisco and as shown on the diagram "Treasure Island Public Trust Exchange Act" dated 01/12/2007.

#### PARCEL ONE-A

That portion of Parcel 57935-1 as described in that certain Quitclaim Deed recorded October 26, 2000, as Document Number 2000G855531, in the Office of the Recorder of the City and County of San Francisco, which is above elevation 270.00 feet (San Francisco-Oakland Bay Bridge 1933 Mean Lower Low Water Datum) and between the contour lines of the 270.00 foot elevation that cross said Parcel 57935-1, as those contour lines are depicted on Exhibit B of Document Number 2000G855531.

Excepting therefrom, those portions conveyed to the Treasure Island Development Authority by the Deed recorded November 27, 2013 as Document No. 2013-J798283 in the Official Records of the City and County of San Francisco.

#### PARCEL ONE-B

That portion of the lands described in that certain Presidential Reservation of Goat Island (now known as Yerba Buena Island), dated November 6, 1850, lying southerly of Parcel 57935-1 as described in that certain Quitclaim Deed recorded October 26, 2000, as Document Number 2000G855531, in the Office of the Recorder of the City and County of San Francisco, and shown cross-hatched on Exhibit A attached.

NOTE: THE ABOVE DESCRIPTIONS ARE BASED UPON INFORMATION SUBMITTED TO THIS COMPANY FOR THE PURPOSE OF THIS REPORT, AND ARE NOT BASED UPON A SURVEY. SAID DESCRIPTIONS DO NOT LOCATE THE LAND BY REFERENCE TO MONUMENTS OF RECORD AND ARE NOT SUFFICIENT FOR TITLE INSURANCE PURPOSES. LINES AND MONUMENTS THEREIN REFERRED TO MUST BE LOCATED BY A CORRECT SURVEY, CONSIDERATION BEING GIVEN TO DESCRIPTIONS OF ADJOINING LANDS NOT INTENDED TO BE INCLUDED WITHIN THE DEVELOPMENT AREA. ANY FINAL REPORT OR POLICY IS DEPENDENT UPON SUCH PROPER DESCRIPTIONS BEING FURNISHED AND WILL BE SUBJECT TO ANY MATTERS DISCLOSED BY THE TITLE SEARCH OF ANY ADDITIONAL LAND DISCLOSED BY SUCH DESCRIPTIONS.

#### PARCEL TWO:

Easements for roadway and utility purposes, as reserved in paragraphs 1(B) and 1(E) of the Quitclaim Deed recorded October 26, 2000 as Document No. 2000-G855531 in the office of the Recorder of the City

and County of San Francisco, over and across portions of Parcel 57935-1 as described in said Deed.

PARCEL THREE:

A non-exclusive easement, as granted in the Consent to Common Use Agreement (Quitclaim and Easement for Utilities) recorded November 10, 2004 as Document No. 2004-H849471 in the office of the Recorder of the City and County of San Francisco, for the operation, maintenance, repair, replacement, rehabilitation, inspection of, and access to electric, natural gas, water, sanitary sewer and storm sewer utilities located on portions of Parcel 57935-1 as said Parcel is described in the Quitclaim Deed recorded October 26, 2000 as Document Number 2000-G855531 in the office of the Recorder of the City and County of San Francisco,

PARCEL FOUR:

Non-exclusive easements for access and utility purposes, as reserved in the Quitclaim Deed recorded December 2, 2004 as Document No. 2004-H860853 in the office of the Recorder of the City and County of San Francisco, upon and within portions of Parcel 58759-1 as described in said Deed.

Real property in the City of Oakland , County of Alameda, State of California, described as follows:

PARCEL S2:

A non-exclusive easement for poles, electrical lines and appurtenant facilities and equipment located between Davis Substation and the boundary of the Oakland Army Base, together with the rights of ingress and egress to operate, inspect, maintain, repair, remove, and replace said electrical line and parts thereof, as reserved in the Quitclaim Deed from the United States of America, acting by and through the Department of the Navy, to the City of Oakland, acting by and through its Board of Port Commissioners, recorded June 15, 1999 as Instrument No. 99222447, and re-recorded December 3, 2002 as Instrument No. 2002561013, Alameda County Official Records.

PARCEL S3:

An easement to construct, operate, inspect, maintain , repair, remove and replace overhead and underground electric lines, poles, conduits, and appurtenant facilities and equipment, as reserved in the Quitclaim Deed from the United States of America, acting by and through the Secretary of the Army, to the Oakland Base Reuse Authority, recorded August 8, 2003 as Instrument No. 2003466370, Alameda County Official Records, over, under and within that certain area described and shown on Exhibit D attached to said Quitclaim Deed.

PARCEL S4:

An easement to construct, operate, inspect, maintain , repair, remove and replace overhead and underground electric lines, poles, conduits, and appurtenant facilities and equipment, as reserved in the Quitclaim Deed from the United States of America, acting by and through the Deputy Assistant Secretary of the Army, to the City of Oakland, a municipal corporation acting by and through its Board of Port Commissioners, recorded June 29, 2007 as Instrument No. 2007243218, Alameda County Official Records, over, under and within that certain area described and shown on Exhibit B attached to said Quitclaim Deed.

PARCEL N13:

A non-exclusive easement for the construction, reconstruction, maintenance, removal and use of a twelve inch diameter underground ductile iron water supply pipeline together with the necessary appurtenances thereto, as granted in the Grant of Easement from the East Bay Municipal Utility District to the United State of America, acting through the Department of the Navy, recorded March 7, 1984, Series No. 84-043869, Alameda County Official Records, within the boundaries of the real property described in Exhibit A attached to said Grant of Easement.

APN: 1939-001 (Treasure Island) (portion)  
APN: 1939-002 (Yerba Buena Island) (portion)  
and lands not currently assessed

***NOTICE***

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

If you have any questions about the effect of this new law, please contact your local First American Office for more details.



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

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

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

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

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

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) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;  
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;  
(c) resulting in no loss or damage to the insured claimant;  
(d) attaching or created subsequent to Date of Policy; or  
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable "doing business" laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by their policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

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

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions of area of the land, or the effect of any violation of any such law, ordinance or governmental regulation.
2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

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

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

**SCHEDULE B**

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

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

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

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

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

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

**SCHEDULE B**

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

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

**6. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992  
WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy;  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
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 (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy); or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable "doing business" laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
  - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

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

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

#### **SCHEDULE B**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

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

#### **8. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or 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 judgment or lien creditor.

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

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

**SCHEDULE B**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

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

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

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

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	* land division
* improvements on the land	* environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:
  - \* a notice of exercising the right appears in the public records on the Policy Date
  - \* the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking.
3. 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 landThis exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

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

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 2008  
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 2008**

**Covered Risks 16 (Subdivision Law Violation). 18 (Building Permit). 19 (Zoning) and 21 (Encroachment of boundary walls or fences) are subject to Deductible Amounts and Maximum Dollar Limits of Liability**

**EXCLUSIONS**

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

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
  - f. environmental protectionThis 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

**LIMITATIONS ON COVERED RISKS**

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

<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$10,000.00
Covered Risk 18: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

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

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions, or location of any improvement erected on the Land; (iii) the subdivision of land; or (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.  
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
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 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 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.

**13. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 2006**  
**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

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).

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

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

**SCHEDULE B**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

**15. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 2006**  
**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

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 Risks 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

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

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

**SCHEDULE B**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.



*First American Title*

**Privacy Information**

**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 subsidiaries 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 that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**Information Obtained Through Our Web Site**

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet. In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site. There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

**Business Relationships**

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

**Cookies**

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive. [FirstAm.com](http://FirstAm.com) uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

**Fair Information Values**

**Fairness** We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

**Public Record** We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

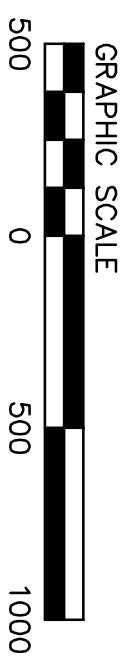
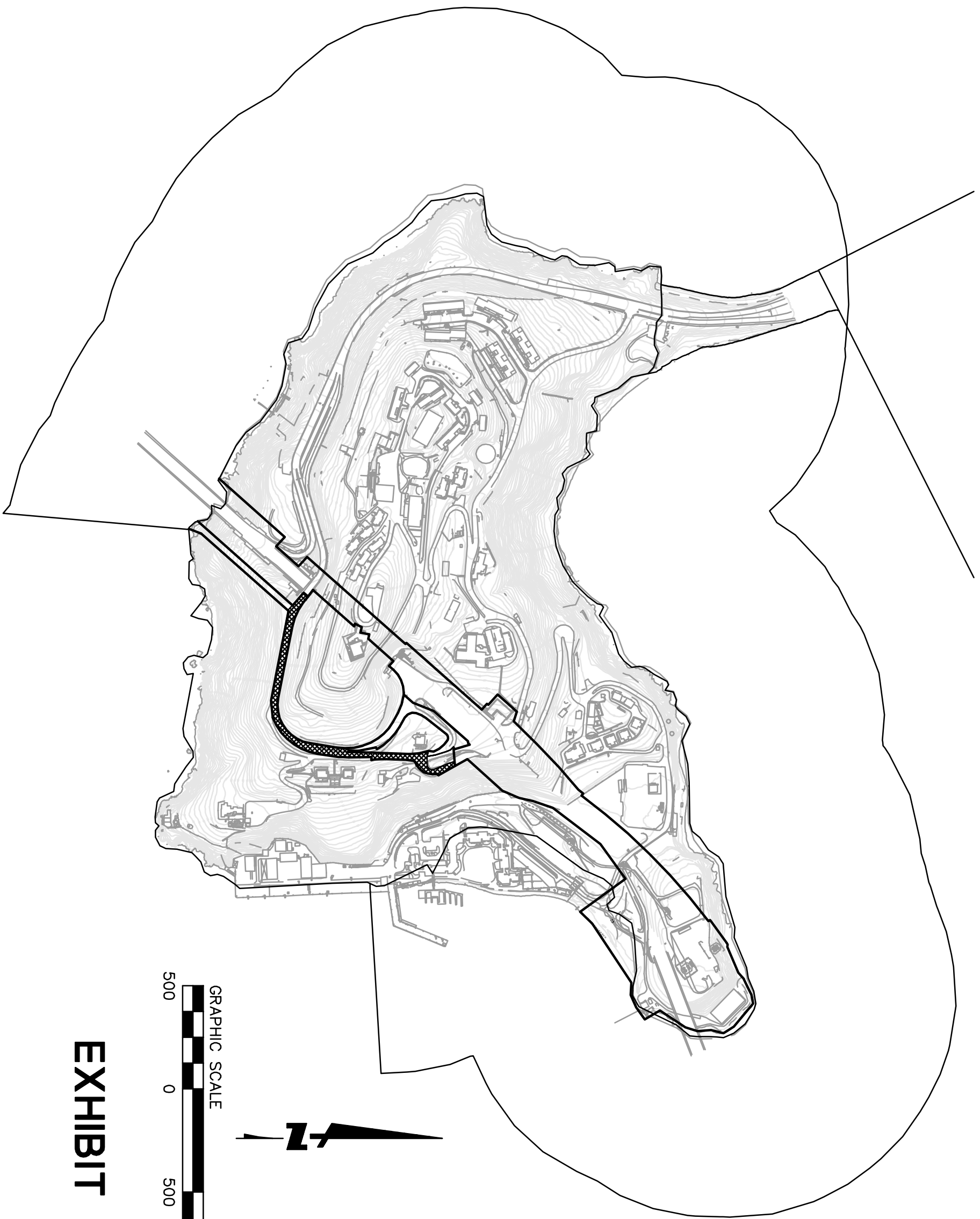
**Use** We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

**Accuracy** We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

**Education** We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

**Security** We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.





# EXHIBIT A