



First American Title Insurance Company
National Commercial Services
666 Third Avenue, 5th Floor
New York, NY 10017

October 06, 2015

Ran Bujanover
Bluesky Utility
P.O. Box 5571
Napa , CA 94581
Phone: (707)266-4354
Fax: (707)251-1560

Customer Reference: 1675 West Lacey Boulevard

Order Number: 3020-756323CA8

Property: 1675 West Lacey Boulevard, Hanford, CA

Attached please find the following item(s):

Commitment

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

Customer First!

First American Title Insurance Company

INFORMATION

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

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

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

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

This information is not part of the title insurance commitment.

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

COMMITMENT FOR TITLE INSURANCE

Issued by

First American Title Insurance Company

Agreement to Issue Policy

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

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

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

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-1.

The Exceptions in Schedule B-2.

The Conditions.

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

SCHEDULE A

1. Commitment Date: September 30, 2015 at 7:30 A.M.

2.	Policy or Policies to be issued:	Amount
	(A) ALTA Owner's Policy ALTA STANDARD LEASEHOLD OWNERS POLICY	\$TO BE DETERMINED

Proposed Insured:

TO BE DETERMINED

(B)	ALTA Loan Policy	\$
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Proposed Insured:

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

Fee Simple as to Parcel 1, an easement as to Parcel 2.

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

PASSCO HANFORD MALL, LLC, A DELAWARE LIMITED LIABILITY COMPANY

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

PARCEL 1:

PARCEL M OF PARCEL MAP WAIVER NO. 98-07, AS EVIDENCED BY A PARCEL MAP WAIVER RECORDED DECEMBER 29, 1998 AS DOCUMENT NO. [9828044](#) OF OFFICIAL RECORDS, IN THE OFFICE OF THE KINGS COUNTY RECORDER, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF PARCEL J, AS SHOWN ON THAT CERTAIN PARCEL MAP RECORDED IN [BOOK 12 AT PAGE 76](#) OF PARCEL MAPS, IN THE OFFICE OF THE KINGS COUNTY RECORDER, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA , MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF THE AFORESAID PARCEL J, SAID CORNER BEING ON THE NORTHERLY RIGHT OF WAY OF MALL DRIVE; THENCE ALONG THE 788 FOOT RADIUS CURVE, CONCAVE TO THE NORTHWEST FROM A RADIUS POINT BEARING NORTH 11°09'22" WEST THROUGH A CENTRAL ANGLE OF 78°24'23" AN ARC LENGTH OF 1078.34 FEET; THENCE NORTH 0°26'15" EAST ALONG THE AFORESAID MALL DRIVE RIGHT OF WAY, A DISTANCE OF 593.82 FEET; THENCE NORTH 89°33'45" WEST A DISTANCE OF 97.50 FEET; THENCE ALONG A TANGENT 20.00 FOOT RADIUS CURVE, CONCAVE TO THE NORTHEAST THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC LENGTH OF 31.42 FEET; THENCE NORTH 0°26'15" EAST A DISTANCE OF 35.65 FEET; THENCE ALONG A TANGENT 76.50 FOOT RADIUS CURVE, CONCAVE TO THE EAST THROUGH CENTRAL ANGLE OF 25°50'31" AN ARC LENGTH OF 34.50 FEET TO A POINT OF REVERSE CURVATURE; THENCE CONTINUING ALONG A 123.50 FOOT RADIUS CURVE, CONCAVE TO THE NORTHWEST THROUGH A CENTRAL ANGLE OF 13°53'38" AN

ARC LENGTH OF 29.95 FEET; THENCE NORTH 45°01'26" WEST A DISTANCE OF 47.32 FEET; THENCE SOUTH 01°19'29" EAST A DISTANCE OF 4.96 FEET; THENCE ALONG A TANGENT 87.50 FOOT RADIUS CURVE, CONCAVE TO THE NORTHWEST THROUGH A CENTRAL ANGLE OF 25°41'31" AN ARC LENGTH OF 39.29 FEET; THENCE SOUTH 24°22'02" WEST A DISTANCE OF 7.46 FEET; THENCE ALONG A TANGENT 106.00 FOOT RADIUS CURVE, CONCAVE TO THE EAST THROUGH A CENTRAL ANGLE OF 23°49'08" AN ARC LENGTH OF 44.07 FEET; THENCE SOUTH 0°32'54" WEST A DISTANCE OF 53.12 FEET; THENCE SOUTH 1°44'12" WEST A DISTANCE OF 75.02 FEET; THENCE SOUTH 0°12'33" WEST A DISTANCE OF 27.75 FEET; THENCE ALONG A TANGENT 75.00 FOOT RADIUS CURVE, CONCAVE TO THE NORTHEAST THROUGH A CENTRAL ANGLE OF 44°36'43" AN ARC LENGTH OF 58.40 FEET; THENCE SOUTH 44°24'10" EAST A DISTANCE OF 12.90 FEET; THENCE SOUTH 45°35'50" WEST A DISTANCE OF 248.97 FEET; THENCE NORTH 74°25'56" WEST A DISTANCE OF 51.40 FEET; THENCE SOUTH 45°35'50" WEST A DISTANCE OF 38.00 FEET; THENCE NORTH 44°24'10" WEST A DISTANCE OF 384.94 FEET TO A POINT ON THE WESTERLY LINE OF THE AFORESAID PARCEL J; THENCE SOUTH 45°35'50" WEST A DISTANCE OF 204.00 FEET; THENCE SOUTH 44°24'10" EAST A DISTANCE OF 278.62 FEET; THENCE NORTH 45°35'50" EAST A DISTANCE OF 1.00 FEET; THENCE SOUTH 44°24'10" EAST A DISTANCE OF 175.00 FEET; THENCE SOUTH 45°35'50" WEST A DISTANCE OF 420.33 FEET; THENCE SOUTH 44°24'10" EAST A DISTANCE OF 255.00 FEET; THENCE NORTH 45°35'50" EAST A DISTANCE OF 42.00 FEET; THENCE SOUTH 44°24'10" EAST A DISTANCE OF 103.00 FEET; THENCE SOUTH 45°35'50" WEST A DISTANCE OF 23.78 FEET; THENCE SOUTH 44°24'10" EAST A DISTANCE OF 174.19 FEET; THENCE ALONG A 150.00 FOOT RADIUS CURVE, CONCAVE TO THE NORTHWEST FROM A RADIUS POINT BEARING NORTH 58°16'22" WEST, THROUGH A CENTRAL ANGLE OF 31°05'44" AN ARC LENGTH OF 81.41 FEET TO A POINT OF COMPOUND CURVATURE, THENCE CONTINUING ALONG A 748.00 FOOT RADIUS CURVE, CONCAVE TO THE NORTH, FROM A CENTRAL ANGLE POINT BEARING NORTH 27°10'38" WEST THROUGH A CENTRAL ANGLE OF 15°57'32" AN ARC LENGTH 208.34 FEET; THENCE SOUTH 09°59'33" EAST A DISTANCE OF 40.01 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, GAS, HYDROCARBON AND OTHER ASSOCIATED SUBSTANCES LYING AT A DEPTH OF FIVE HUNDRED (500) FEET OR MORE BELOW THE SURFACE OF THE LAND HEREINABOVE DESCRIBED; PROVIDED, HOWEVER, THE RIGHTS SO RESERVED SHALL NOT INCLUDE THE RIGHT TO USE OR OCCUPY THE SURFACE OR ANY PORTION THEREOF, AS EXCEPTED AND RESERVED IN DEED RECORDED ON FEBRUARY 14, 1992 AS DOCUMENT NO. [9202367](#) OF OFFICIAL RECORDS, IN THE OFFICE OF THE KINGS COUNTY RECORDER, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA.

PARCEL 2:

ALL THOSE CERTAIN EASEMENTS AND ALL OTHER RIGHTS FOR PARKING PEDESTRIAN ACCESS, LANDSCAPING AND INGRESS AND EGRESS RIGHTS AND ALL OTHER RIGHTS AS SET FORTH IN THAT CERTAIN AMENDED AND RESTATED CONSTRUCTION, OPERATION AND RECIPROCAL EASEMENT AGREEMENT, EXECUTED BY AND BETWEEN HANFORD MALL PARTNERS, L.P., A CALIFORNIA LIMITED PARTNERSHIP, GOTTSCHALKS, INC., A DELAWARE CORPORATION, MERVYN'S, A CALIFORNIA CORPORATION AND SEARS, ROEBUCK AND CO., A NEW YORK CORPORATION AND RECORDED ON SEPTEMBER 16, 1999 AS DOCUMENT NO. [9919777](#) OF OFFICIAL RECORDS IN THE OFFICE OF THE KINGS COUNTY RECORDER, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA.

APN: 011-060-038-000

SCHEDULE B

SECTION ONE REQUIREMENTS

The following requirements must be met:

- (A) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (B) Pay us the premiums, fees and charges for the policy.
- (C) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
- (D) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (E) Releases(s) or Reconveyance(s) of Item(s): 16, 21 and 22
- (F) Other: None
- (G) You must give us the following information:
 - 1. Any off record leases, surveys, etc.
 - 2. Statement(s) of Identity, all parties.
 - 3. Other: NONE

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

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

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

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

- ☐ (K) The following partnership documentation is required :
 - (i) a copy of the partnership agreement, including all applicable amendments thereto
 - (ii) a Certificate of Good Standing and/or other evidence of current Authority to Conduct Business within the State
 - (iii) express Partnership Consent to the current transaction

- ☐ (L) The following corporation documentation is required:
 - (i) a copy of the Articles of Incorporation
 - (ii) a copy of the Bylaws, including all applicable Amendments thereto
 - (iii) a Certificate of Good Standing and/or other evidence of current Authority to Conduct Business within the State
 - (iv) express Corporate Resolution consenting to the current transaction

- ☒ (M) Based upon the Company's review of that certain partnership/operating agreement dated **Not disclosed** for the proposed insured herein, the following requirements must be met:

Any further amendments to said agreement must be submitted to the Company, together with an affidavit from one of the general partners or members stating that it is a true copy, that said partnership or limited liability company is in full force and effect, and that there have been no further amendments to the agreement. This Commitment will then be subject to such further requirements as may be deemed necessary.

- ☐ (N) A copy of the complete lease, as referenced in Schedule A, #3 herein, together with any amendments and/or assignments thereto, must be submitted to the Company for review, along with an affidavit executed by the present lessee stating that it is a true copy, that the lease is in full force and effect, and that there have been no further amendments to the lease. This Commitment will then be subject to such further requirements as may be deemed necessary.

- ☒ (O) Approval from the Company's Underwriting Department must be obtained for issuance of the policy contemplated herein and any endorsements requested thereunder. This Commitment will then be subject to such further requirements as may be required to obtain such approval.

- ☐ (P) Potential additional requirements, if ALTA Extended coverage is contemplated hereunder, and work on the land has commenced prior to close, some or all of the following requirements, and any other requirements which may be deemed necessary, may need to be met:

- ☐ (Q) The Company's "Indemnity Agreement I" must be executed by the appropriate parties.

- ☐ (R) Financial statements from the appropriate parties must be submitted to the Company for review.

- ☐ (S) A copy of the construction contract must be submitted to the Company for review.

- ☐ (T) An inspection of the land must be performed by the Company for verification of the phase of construction.

- ☐ (U) The Company's "Mechanic's Lien Risk Addendum" form must be completed by a Company employee, based upon information furnished by the appropriate parties involved.

SCHEDULE B

SECTION TWO

EXCEPTIONS

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

1. General and special taxes and assessments for the fiscal year 2015-2016.
First Installment: \$140,138.72, OPEN
Penalty: \$0.00
Second Installment: \$140,138.72, OPEN
Penalty: \$0.00
Tax Rate Area: 002-096
A. P. No.: 011-060-038-000
2. The lien of special tax for the following community facilities district, which tax is collected with the county taxes.
District: 91-1
3. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
4. An easement for PUBLIC UTILITIES and incidental purposes in the document recorded FEBRUARY 26, 1991 as INSTRUMENT NO. [9102766](#) of Official Records.
5. An easement shown or dedicated on the map of PM12-76 recorded FEBRUARY 19, 1992 and on file in [Book 12, Page 76](#), of PARCEL Maps.
For: PUBLIC UTILITIES and incidental purposes.
6. An easement for LANDSCAPE and incidental purposes, recorded FEBRUARY 14, 1992 as INSTRUMENT NO. [9202369](#) of Official Records.
In Favor of: CITY OF HANFORD
Affects: as described therein
7. An easement for STORM DRAIN AND FIRE SERVICE LINE and incidental purposes, recorded FEBRUARY 14, 1992 as INSTRUMENT NO. [9202370](#) of Official Records.
In Favor of: CITY OF HANFORD
Affects: as described therein
8. The terms, provisions and easement(s) contained in the document entitled "CONSTRUCTION, OPERATION AND RECIPROCAL EASEMENT AGREEMENT" recorded FEBRUARY 14, 1992 as INSTRUMENT NO. [9202373](#) of Official Records.

Document(s) declaring modifications thereof recorded APRIL 15, 1993 as INSTRUMENT NO. [9306826](#) of Official Records.

The terms and provisions contained in the document entitled "AMENDED AND RESTATED, CONSTRUCTION, OPERATION AND RECIPROCAL EASEMENT AGREEMENT" recorded SEPTEMBER 16, 1999 as INSTRUMENT NO. [9919777](#) of Official Records.

9. The terms and provisions contained in the document entitled "MEMORANDUM OF SEPARATE AGREEMENT" recorded FEBRUARY 14, 1992 as INSTRUMENT NO. [9202374](#) of Official Records.

10. The terms and provisions contained in the document entitled "MEMORANDUM OF SEPARATE AGREEMENT" recorded FEBRUARY 14, 1992 as INSTRUMENT NO. [9202375](#) of Official Records.

11. The terms and provisions contained in the document entitled "MEMORANDUM OF AGREEMENT" recorded FEBRUARY 14, 1992 as INSTRUMENT NO. [9202378](#) of Official Records.

AN UNRECORDED FIRST AMENDMENT, DATED JANUARY 21, 1992, DISCLOSED BY INSTRUMENT RECORDED FEBRUARY 14, 1992 AS DOCUMENT NO. [9202379](#), OF OFFICIAL RECORDS.

Document(s) declaring modifications thereof recorded FEBRUARY 14, 1992 as INSTRUMENT NO. [9202379](#) of Official Records.

Document(s) declaring modifications thereof recorded FEBRUARY 14, 1992 as INSTRUMENT NO. [9202380](#) of Official Records.

12. An easement for PUBLIC UTILITIES and incidental purposes, recorded DECEMBER 20, 1993 as INSTRUMENT NO. [9324093](#) of Official Records.

In Favor of: SOUTHERN CALIFORNIA EDISON COMPANY
Affects: as described therein

The location of the easement cannot be determined from record information.

13. An easement for PUBLIC UTILITIES and incidental purposes, recorded DECEMBER 29, 1993 as INSTRUMENT NO. [9324815](#) of Official Records.

In Favor of: SOUTHERN CALIFORNIA EDISON COMPANY
Affects: as described therein

The location of the easement cannot be determined from record information.

14. Terms and provisions of an unrecorded lease dated OCTOBER 12, 1998, by and between HANFORD MALL PARTNERS, L.P., A CALIFORNIA LIMITED PARTNERSHIP as lessor and SEARS, ROEBUCK AND CO., A NEW YORK CORPORATION as lessee, as disclosed by a MEMORANDUM OF LEASE recorded SEPTEMBER 16, 1999 as INSTRUMENT NO. [9919776](#) of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records are not shown herein.

15. Terms and provisions of an unrecorded lease dated MARCH 7, 2000, by and between HANFORD MALL PARTNERS, L.P., A CALIFORNIA LIMITED PARTNERSHIP as lessor and ROSS STORES, INC., A DELAWARE CORPORATION as lessee, as disclosed by a MEMORANDUM OF LEASE recorded MARCH 7, 2000 as INSTRUMENT NO. [2000-0004112](#) of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records are not shown herein.

16. A Deed of Trust to secure an original indebtedness of \$30,000,000.00 recorded NOVEMBER 26, 2003 as INSTRUMENT NO. [0334698](#) of Official Records.

Dated: NOVEMBER 18, 2003
Trustor: PASSCO HM, LLC AND PASSCO DIVERSIFIED II, HM, LLC
Trustee: CHICAGO TITLE COMPANY
Beneficiary: GERMAN AMERICAN CAPITAL CORPORATION, A MARYLAND CORPORATION AND ITS SUCCESSORS AND/OR ASSIGNS, AS THEIR INTEREST MAY APPEAR

Affects: The land and other property.

A document entitled "ASSIGNMENT OF LEASES AND RENTS" recorded NOVEMBER 26, 2003 as INSTRUMENT NO. [0334699](#) of Official Records, as additional security for the payment of the indebtedness secured by the deed of trust.

The interest of GERMAN AMERICAN CAPITAL CORPORATION, A MARYLAND CORPORATION under said Assignment of ASSIGNMENT OF LEASES AND RENTS was purportedly assigned to WELLS FARGO BANK, N.A., AS TRUSTEE FOR THE REGISTERED HOLDERS OF GE COMMERCIAL MORTGAGE CORPORATION, COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2004-C1 by document recorded MARCH 26, 2004 as Instrument No. INSTRUMENT NO. [0408647](#) of Official Records.

According to the public records, the beneficial interest under the deed of trust was assigned to WELLS FARGO BANK, N.A., AS TRUSTEE FOR THE REGISTERED HOLDERS OF GE COMMERCIAL MORTGAGE CORPORATION, COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2004-C1 by assignment recorded MARCH 26, 2004 as INSTRUMENT NO. [0408647](#) of Official Records.

A document recorded JUNE 24, 2011 as INSTRUMENT NO. [1110830](#), of Official Records provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

17. Terms and provisions of an unrecorded lease dated DECEMBER 2, 1991, by and between PASSCO HM, LLC, A DELAWARE LIMITED LIABILITY COMPANY AND PASSCO DIVERSIFIED II HM, LLC, A DELAWARE LIMITED LIABILITY COMPANY, THEIR SUCCESSORS AND ASSIGNS as lessor and CINEMARK USA, INC., A TEXAS CORPORATION as lessee, as disclosed by a MEMORANDUM OF LEASE recorded NOVEMBER 19, 2003 as INSTRUMENT NO. [0333850](#) of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records are not shown herein.

18. The terms and provisions contained in the document entitled "CONSENT AND ASSUMPTION AGREEMENT" recorded DECEMBER 16, 2003 as INSTRUMENT NO. [0336398-0336411](#) of Official Records.
19. The terms and provisions contained in the document entitled "CONSENT AND ASSUMPTION AGREEMENT" recorded JANUARY 16, 2004 as INSTRUMENT NO. [0401307-0401317](#) of Official Records.
20. The terms and provisions contained in the document entitled "TERM AND FLOOR AREA AGREEMENT" recorded JANUARY 8, 2008 as INSTRUMENT NO. [0800518](#) of Official Records.

21. A Deed of Trust to secure an original indebtedness of \$25,000,000.00 recorded NOVEMBER 21, 2011 as INSTRUMENT NO. [1120095](#) of Official Records.
- Dated: NOVEMBER 18, 2011
- Trustor: PASSCO HANFORD MALL, LLC, A DELAWARE LIMITED LIABILITY COMPANY
- Trustee: CHICAGO TITLE COMPANY
- Beneficiary: CANTOR COMMERCIAL REAL ESTATE LENDING, L.P., A DELAWARE LIMITED LIABILITY COMPANY

Affects: The land and other property.

A document entitled "ASSIGNMENT OF LEASES AND RENTS" recorded NOVEMBER 21, 2011 as INSTRUMENT NO. [1120096](#) of Official Records, as additional security for the payment of the indebtedness secured by the deed of trust.

The interest of CITIBANK, N.A., AS TRUSTEE FOR THE REGISTERED HOLDERS OF CFCRE COMMERCIAL MORTGAGE TRUST 2011-C2 COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2011-C2 under said Assignment of ASSIGNMENT OF LEASES AND RENTS was purportedly assigned to U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE FOR THE REGISTERED HOLDERS OF CFCRE COMMERCIAL MORTGAGE TRUST 2011-C2 COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2011-C2 by document recorded JULY 5, 2013 as Instrument No. INSTRUMENT NO. [1312699](#) of Official Records.

The beneficial interest in the Deed of Trust was assigned to U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE FOR THE REGISTERED HOLDERS OF CFCRE COMMERCIAL MORTGAGE TRUST 2011-C2 COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2011-C2 by mesne instruments of record, the last of which recorded JULY 5, 2013 as INSTRUMENT NO. [1312698](#) of Official Records.

22. A financing statement recorded NOVEMBER 21, 2011 as INSTRUMENT NO. [1120097](#) of Official Records.
- Debtor: PASSCO HANFORD MALL, LLC
- Secured party: CANTOR COMMERCIAL REAL ESTATE LENDING, L.P.

Affects: The land and other property.

According to the public records, the security interest of the secured party was assigned to U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE FOR THE REGISTERED HOLDERS OF CFCRE COMMERCIAL MORTGAGE TRUST 2011-C2 COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2011-C2 by document recorded JULY 5, 2013 as INSTRUMENT NO. [1312700](#) of Official Records.

23. Survey prepared by ZUMWALT HANSEN, INC., dated JULY 22, 2003, LAST REVISED NOVEMBER 12, 2003, under Job No. 0590311, shows the following: 1) ELECTRIC CHRISTY AFFECTS PARCEL M.
24. Rights of parties in possession.

INFORMATIONAL NOTES

1. According to the latest available equalized assessment roll in the office of the county tax assessor, there is located on the land a(n) COMMERCIAL STRUCTURE known as 1675 West Lacey Boulevard, Hanford, California.
2. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:

None

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

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

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

CONDITIONS

1. DEFINITIONS

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

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

2. LATER DEFECTS

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

3. EXISTING DEFECTS

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

4. LIMITATION OF OUR LIABILITY

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

comply with the Requirements shown in Schedule B - Section One

or

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

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

5. CLAIMS MUST BE BASED ON THIS COMMITMENT

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



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 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.

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 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
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 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 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:

Part One

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
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:

Part One

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
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:
Part One:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
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.

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

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

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 - (a) and use
 - (b) improvements on the land
 - (c) and division
 - (d) environmental protectionThis 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) a notice of exercising the right appears in the public records on the Policy Date
 - (b) 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:
 - (a) that are created, allowed, or agreed to by you
 - (b) that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
 - (c) that result in no loss to you
 - (d) 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:
 - (a) to any land outside the area specifically described and referred to in Item 3 of Schedule A OR
 - (b) 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 - 1998
ALTA HOMEOWNER'S
POLICY OF TITLE
INSURANCE - 1998**

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

EXCLUSIONS

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

1. 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.

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 apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.

3. 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.

4. Risks:

- a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
- b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
- c. that result in no loss to You; or
- d. that first occur after the Policy Date - this does not limit the

coverage described in
Covered Risk 7, 8.d,
22, 23, 24 or 25.
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 18.

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

EXCLUSIONS FROM COVERAGE

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

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