

**EXHIBIT "A"**  
**RESULTANT PARCEL A**

All that real property situate in the City of Fort Bragg, County of Mendocino, State of California, being a portion of Section 18, Township 18 North, Range 17 West, M.D.M., described as follows:

All of Tracts One and Two described in Grant Deed recorded in Book 2458, Page 701, and all of Parcel 1 described in Grant Deed recorded in Book 2379, Page 263, Official Records of Mendocino County, more particularly described as follows:

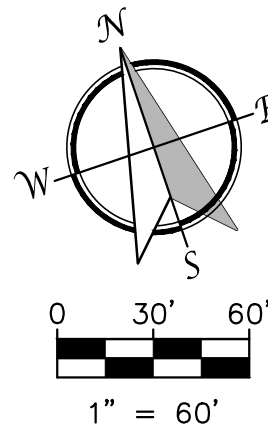
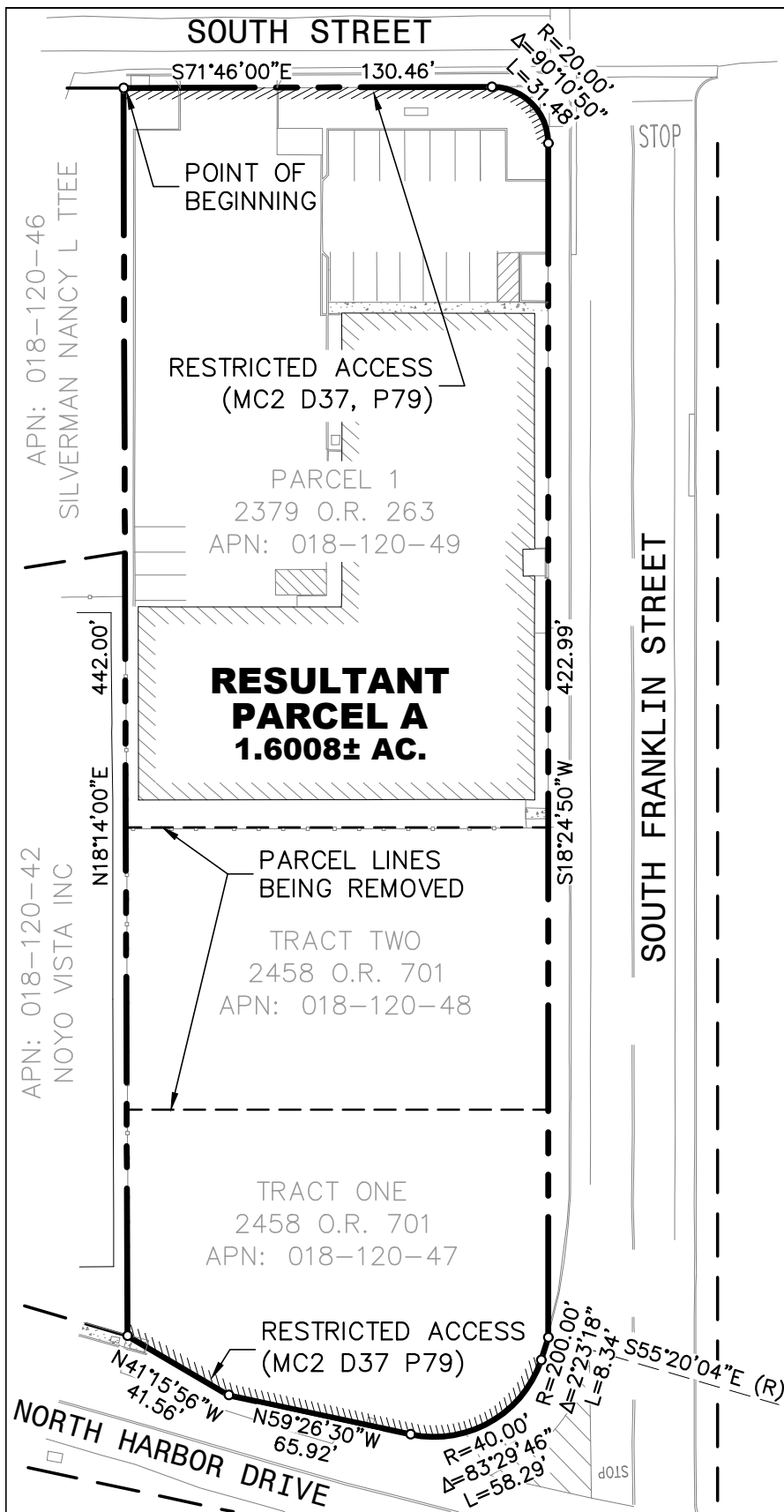
**BEGINNING** at the northwest corner of said Parcel 1; thence along the boundary line of said parcel 1 and said Tracts One and Two the following eight (8) courses:

1. South 71°46'00" East 130.46 feet to a tangent curve to the right, having a radius of 20.00 feet
2. Along said curve, through a central angle of 90°10'50", an arc distance of 31.48 feet
3. South 18°24'50" West 422.99 feet to a point on a non-tangent curve to the right, having a radius of 200.00 feet, a radial line through said point bearing South 55°20'04" East
4. Along said curve, through a central angle of 2°23'18", an arc distance of 8.34 feet to a tangent curve to the right, having a radius of 40.00 feet
5. Along said curve, through a central angle of 83°29'46", an arc distance of 58.29 feet
6. North 59°26'30" West 65.92 feet
7. North 41°15'56" West 41.56 feet
8. North 18°14'00" East 442.00 feet to the **POINT OF BEGINNING**

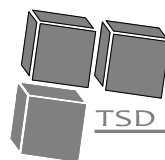
Containing 69,733 square feet, more or less.

End of description.





**EXHIBIT "B"**  
 ALL OF TRACTS ONE & TWO 2458 O.R. 701 AND ALL OF  
 PARCEL 1 2379 O.R. 263  
 COUNTY OF MENDOCINO,  
 STATE OF CALIFORNIA



785 Orchard Drive, Suite #110  
 Folsom, CA 95630  
 Phone: (916) 608-0707  
 Fax: (916) 608-0701

**TSD ENGINEERING, INC.**  
 expect more.

SCALE:  
 1"=60'

DATE:  
 6/27/2019

SHEET  
 1 OF 1



*First American Title*

## **First American Title Company**

**3001 I Street, Suite 100  
Sacramento, CA 95816**

Escrow Officer: Lesley Kaufman  
Phone: (916)490-4512  
Fax No.: (714)689-5184  
E-Mail: LKaufman@firstam.com

E-Mail Loan Documents to: MidtowneDocs@firstam.com  
Buyer: Best Development Group, LLC  
Property: 851, 845 and 825 , South Franklin Street  
Fort Bragg, CA 95437

### **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 15, 2018 at 7:30 A.M.

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

To Be Determined

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:

Dominic J. Affinito and Juliette C. Affinito, husband and wife, as Community Property

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

Fee

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:

1. Detailed tax information to be provided under separate cover.
2. The following matters shown or disclosed by the filed or recorded map referred to in the legal description: Various Notes And Recitals
3. Abutter's rights of ingress and egress to or from South Street and South Franklin Street and North Harbor Drive, have been dedicated or relinquished on the filed Map.
4. Intentionally Deleted
5. A Deed of Trust to secure an original indebtedness of \$3,500,000.00 recorded August 6, 2010 as Instrument No. [2010-10989](#) of Official Records.  
Dated: July 28, 2010  
Trustor: Dominic J. Affinito and Juliette C. Affinito, husband and wife as community property  
Trustee: StoneTree Financial, Inc. a California corporation  
Beneficiary: David Pick Family Partnership, L.P.

Notes:

a. If this deed of trust is to be eliminated in the policy or policies contemplated by this report/commitment, we will require all of the following prior to the recordation of any documents or the issuance of any policy of title insurance:

i. Original note and deed of trust.

ii. Payoff demand statement signed by all present beneficiaries.

iii. Request for reconveyance signed by all present beneficiaries.

b. If the payoff demand statement or the request for reconveyance is to be signed by a servicer, we will also require a full copy of the loan servicing agreement executed by all present beneficiaries.

c. If any of the beneficial interest is presently held by trustees under a trust agreement, we will require a certification pursuant to Section 18100.5 of the California Probate Code in a form satisfactory to the Company

The above deed of trust states that it secures an equity line/revolving line of credit.

6. The fact that the land lies within the boundaries of the The Fort Bragg Redevelopment Project Area, as disclosed by various documents of record.

7. Water rights, claims or title to water, whether or not shown by the public records.

(Affects Parcels One and Two)

8. Rights of parties in possession.

|                            |
|----------------------------|
| <b>INFORMATIONAL NOTES</b> |
|----------------------------|

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. The property covered by this report is vacant land.

(Affects PARCELS ONE AND TWO)

2. 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 825 South Franklin Street, Fort Bragg, California.

(Affects PARCEL THREE)

3. 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

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 of Fort Bragg, County of Mendocino, State of California, described as follows:

PARCEL ONE: (APN: 018-120-47-00)

ALL THAT REAL PROPERTY SITUATE IN THE CITY OF FORT BRAGG, COUNTY OF MENDOCINO, STATE OF CALIFORNIA AND BEING A PORTION OF SECTION 18, TOWNSHIP 18 NORTH, RANGE 17 WEST, M.D.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL BEARINGS USED IN THIS DESCRIPTION ARE IN TERMS OF THE CALIFORNIA STATE GRID ZONE II.

COMMENCING AT THE NORTHWEST CORNER OF PARCEL 1, AS DELINEATED UPON THAT CERTAIN PARCEL MAP FILED IN [MAP CASE 2, DRAWER 37, PAGE 79](#), MENDOCINO COUNTY RECORDS; SAID POINT ALSO BEING IN THE SOUTHERLY RIGHT OF WAY OF SOUTH STREET; THENCE FROM SAID POINT OF COMMENCEMENT AND ALONG THE WESTERLY BOUNDARY OF SAID PARCELS 1, 2 AND 3, SOUTH 18° 14' 00" WEST, 361.81 FEET, TO THE POINT OF BEGINNING; THENCE FROM SAID POINT OF BEGINNING, SOUTH 71° 35' 10" EAST, 149.38 FEET, TO A POINT IN THE WESTERLY RIGHT OF WAY OF FRANKLIN STREET; THENCE ALONG SAID RIGHT OF WAY OF FRANKLIN STREET, SOUTH 18° 24' 50" WEST, 80.77 FEET; THENCE ALONG A CURVE CONCAVE TO THE NORTHWEST, HAVING A CENTRAL ANGLE OF 2° 23' 17" A RADIUS OF 206.00 FEET, AN ARC LENGTH OF 8.34 FEET, TO A POINT OF COMPOUND CURVE, ALSO BEING CONCAVE TO THE NORTHWEST, HAVING A CENTRAL ANGLE OF 83° 29' 46", A RADIUS OF 40.00 FEET, AN ARC LENGTH OF 58.92 FEET TO A POINT IN THE NORTHERLY RIGHT OF WAY OF NORTH HARBOR DRIVE; THENCE ALONG SAID NORTHERLY RIGHT OR WAY, NORTH 59° 26' 30" WEST, 65.92 FEET; THENCE NORTH 41° 15' 56" WEST 41.56 FEET TO A POINT IN THE WESTERLY BOUNDARY OF SAID PROPERTY; THENCE LEAVING SAID RIGHT OR WAY OF NORTH HARBOR DRIVE, AND ALONG SAID WESTERLY PROPERTY BOUNDARY, NORTH 18° 14' 00" EAST, 80.19 FEET TO THE POINT OF BEGINNING.

PARCEL TWO: (APN: 018-120-48-00)

ALL THAT REAL PROPERTY SITUATE IN THE CITY OF FORT BRAGG, COUNTY OF MENDOCINO, STATE OF CALIFORNIA AND BEING A PORTION OF SECTION 18, TOWNSHIP 18 NORTH, RANGE 17 WEST, M.D.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL BEARINGS USED IN THIS DESCRIPTION ARE IN TERMS OF THE CALIFORNIA STATE GRID ZONE II.

COMMENCING AT THE NORTHWEST CORNER OF PARCEL 1, AS DELINEATED UPON THAT CERTAIN PARCEL MAP FILED IN [MAP CASE 2, DRAWER 37, PAGE 79](#), MENDOCINO COUNTY RECORDS; SAID POINT ALSO BEING IN THE SOUTHERLY RIGHT OF WAY OF SOUTH STREET; THENCE FROM SAID POINT OF COMMENCEMENT AND ALONG THE WESTERLY BOUNDARY OF SAID PARCELS 1 AND 2, SOUTH 18° 14' 00" WEST, 261.81 FEET, TO THE POINT OF BEGINNING; THENCE FROM SAID POINT OF BEGINNING, SOUTH 71° 35' 10" EAST, 149.69 FEET, TO A POINT IN THE WESTERLY RIGHT OF WAY OF FRANKLIN STREET; THENCE ALONG SAID RIGHT OF WAY OF FRANKLIN STREET, SOUTH 18° 24' 50" WEST, 100.00 FEET; THENCE LEAVING SAID RIGHT OF WAY OF FRANKLIN STREET, NORTH 71° 35' 10" WEST, 149.38 FEET; TO A POINT IN THE WESTERLY BOUNDARY OF SAID PROPERTY; THENCE ALONG SAID WESTERLY BOUNDARY, NORTH 18° 14' 00" EAST, 100.00 FEET, TO THE POINT OF BEGINNING.

PARCEL THREE: (APN: 018-120-49-00)

BEING A PORTION OF SECTION 18, TOWNSHIP 18 NORTH, RANGE 17 WEST, M.D.N., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF PARCEL 1 AS DELINEATED UPON THAT CERTAIN PARCEL MAP FILED IN [MAP CASE 2, DRAWER 37, PAGE 79](#), MENDOCINO COUNTY RECORDS; SAID POINT ALSO

BEING IN THE SOUTHERLY RIGHT OF WAY OF SOUTH STREET; THENCE FROM SAID POINT OF BEGINNING AND ALONG SAID RIGHT OF WAY, SOUTH  $71^{\circ} 46' 00''$  EAST, 130.46 FEET; THENCE ALONG A TANGENT CURVE CONCAVE TO THE SOUTHWEST, HAVING A CENTRAL ANGLE OF  $90^{\circ} 10' 50''$ , A RADIUS OF 20.00 FEET, AN ARC LENGTH OF 31.48 FEET, TO A POINT IN THE WESTERLY RIGHT OF WAY OF FRANKLIN STREET; THENCE ALONG SAID RIGHT OF WAY OF FRANKLIN STREET, SOUTH  $18^{\circ} 24' 50''$  WEST, 242.22 FEET; THENCE LEAVING SAID RIGHT OF WAY OF FRANKLIN STREET, NORTH  $71^{\circ} 35' 10''$  WEST, 149.69 FEET TO THE WESTERLY LINE OF PARCEL 2 AS DELINEATED UPON ABOVE SAID MAP; THENCE ALONG THE WESTERLY BOUNDARY OF SAID PARCELS 2 AND 1, NORTH  $18^{\circ} 14' 00''$  EAST, 261.81 FEET TO THE POINT OF BEGINNING.



Assessor's Map  
County of Mendocino, Calif.  
March, 1949



***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.

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

**CLTA STANDARD COVERAGE POLICY – 1990**  
**EXCLUSIONS FROM COVERAGE**

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

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

**EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I**

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

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

**CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)**  
**EXCLUSIONS**

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

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

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

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
  - 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
  - 8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
  - 9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

#### **LIMITATIONS ON COVERED RISKS**

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:  
For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.  
The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

|                  | <u>Your Deductible Amount</u>                                             | <u>Our Maximum Dollar Limit of Liability</u> |
|------------------|---------------------------------------------------------------------------|----------------------------------------------|
| Covered Risk 16: | 1% of Policy Amount Shown in Schedule A or \$2,500<br>(whichever is less) | \$10,000                                     |
| Covered Risk 18: | 1% of Policy Amount Shown in Schedule A or \$5,000<br>(whichever is less) | \$25,000                                     |
| Covered Risk 19: | 1% of Policy Amount Shown in Schedule A or \$5,000<br>(whichever is less) | \$25,000                                     |
| Covered Risk 21: | 1% of Policy Amount Shown in Schedule A or \$2,500<br>(whichever is less) | \$5,000                                      |

#### **2006 ALTA LOAN POLICY (06-17-06)**

##### **EXCLUSIONS FROM COVERAGE**

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

- 1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
  5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
  6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
    - (a) a fraudulent conveyance or fraudulent transfer, or
    - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
  7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

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

#### EXCEPTIONS FROM COVERAGE

[Except as provided in Schedule B - Part II, [t[or T]his policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

#### [PART I

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

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

#### PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:]

### 2006 ALTA OWNER'S POLICY (06-17-06)

#### EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 or 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
    - (a) a fraudulent conveyance or fraudulent transfer, or
    - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
  5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

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

#### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of: [The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

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

#### ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)

#### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses 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, 6, 13(c), 13(d), 14 or 16.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the

Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.



## *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.



Prelim Parcel Three  
APN 18-120-49

Order No.  
Escrow No.  
Loan No.

WHEN RECORDED MAIL TO:

DOMINIC J. AFFINITO  
JULIETTE C. AFFINITO  
400 S. MAIN STREET  
FORT BRAGG, CA 95437

00019757  
Recorded at the request of  
FIRST AMERICAN TITLE CO  
Book 2379 Page 263  
12/06/1996 11:04A  
Fee: \$10.00 No of Pages:2

OFFICIAL RECORDS  
MENDOCINO COUNTY CALIF  
MARSHA A. YOUNG, RECORDER

MAIL TAX STATEMENTS TO:

SAME AS ABOVE

|                                     |                 |
|-------------------------------------|-----------------|
| <input type="checkbox"/>            | \$20.00<br>PAID |
| <input checked="" type="checkbox"/> | FCO<br>FILED    |
| <input type="checkbox"/>            | Exempt          |

SPACE ABOVE THIS LINE FOR RECORDER'S USE  
DOCUMENTARY TRANSFER TAX \$ NONE  
Computed on the consideration or value of property conveyed, OR  
Computed on the consideration or value less liens or encumbrances  
remaining at time of sale.  
As declared by the undersigned Grantor  
Signature of Declarant or Agent determining tax - Firm Name

APN #18-120-36,37

## GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,  
CITY OF FORT BRAGG, a Municipal Corporation

hereby GRANT(S) to DOMINIC J. AFFINITO and JULIETTE C. AFFINITO, husband and  
wife, as Community Property

the real property in the City of Fort Bragg,  
County of Mendocino, State of California, described  
as

~~PARCELS 18 AND 19 as numbered and designated upon a Parcel Map Division  
No. 5800 taken for record April 14, 1981, in Map Case 2, Order 30,  
Page 79, Mendocino County Records.~~

See DESCRIPTION attached hereto and made a part hereof

Dated November 12, 1996.

STATE OF CALIFORNIA )  
COUNTY OF Mendocino )ss.

On November 14, 1996

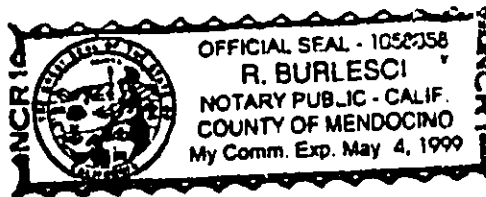
before me, R. Burlesci, personally  
appeared Patricia A. Campbell

personally known to me (or proved to me on the basis of  
satisfactory evidence) to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that  
he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s) or the entity upon behalf of which the  
person(s) acted, executed the instrument.  
WITNESS my hand and official seal.

Signature R. Burlesci

CITY OF FORT BRAGG, a Municipal  
Corporation

By: Patricia A. Campbell  
Patricia A. Campbell, Mayor



(This area for official notarial seal)

MAIL TAX STATEMENTS AS DIRECTED ABOVE

1002-SM (1/94)

Parcel 1

DESCRIPTION

All that real property situate in the City of Fort Bragg, County of Mendocino, State of California and being a portion of Section 18, Township 18 North, Range 17 West, M.D.M. more particularly described as follows:

All bearings used in this description are in terms of the California State Grid Zone II.

Beginning at the northwest corner of Parcel 1 as delineated upon that certain Parcel Map filed in Map Case 2, Drawer 37, Page 79, Mendocino County Records; said point also being in the southerly Right of Way of South Street; thence from said point of beginning and along said Right of Way, South  $71^{\circ} 46' 00''$  East, 130.46 feet; thence along a tangent curve concave to the southwest, having a central angle of  $90^{\circ} 10' 50''$ , a radius of 20.00 feet, an arc length of 31.48 feet, to a point in the westerly Right of Way of Franklin Street; thence along said right of way of Franklin Street, South  $18^{\circ} 24' 50''$  West, 242.22 feet; thence leaving said right of way of Franklin Street, North  $71^{\circ} 35' 10''$  West, 149.69 feet to the westerly line of Parcel 2 as delineated upon above said map; thence along the westerly boundary of said Parcels 2 & 1, North  $18^{\circ} 14' 00''$  East, 261.81 feet to the point of beginning.

Containing 39,249.67 sq. ft. ( .90 Acres) more or less

A.P. #'s 18-12-36 and x37



Order No.  
Escrow No. 170305  
Loan No.

WHEN RECORDED MAIL TO:

Dominic J. Affinito  
✓ Juliette C. Affinito  
400 S. Main Street  
Fort Bragg, CA 95437

00019086  
Recorded at the request of  
FIRST AMERICAN TITLE CO  
Book 2458 Page 701  
11/18/1997 10:38A  
Fee: \$13.00 No of Pages:3

OFFICIAL RECORDS  
MENDOCINO COUNTY CALIF  
MARSHA A. YOUNG, RECORDER

DOCUMENTARY TRANSFER TAX \$ 275.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

☒ Computed on the consideration or value of property conveyed; OR  
☐ Computed on the consideration or value less liens or  
encumbrances remaining at time of sale.

As declared by the undersigned Grantor  
Signature of Declarant or Agent determining tax - Firm Name

18-120-47

## GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

City of Fort Bragg, a Municipal Corporation

hereby GRANT(S) to

Dominic J. Affinito and Juliette C. Affinito, husband and wife, as Community Property

the real property in the City of  
County of

Fort Bragg  
Mendocino

, State of California, described as

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF

|   |         |
|---|---------|
|   | \$20.00 |
|   | PAID    |
| X | PCO     |
|   | FILED   |
|   | Exempt  |

Dated September 10, 1997

STATE OF CALIFORNIA }  
COUNTY OF Mendocino }ss.

On October 29, 1997 before me,  
Marilyn Canclini  
personally appeared Lindy Peters

personally known to me (or proved to me on the basis of satisfactory  
evidence) to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed  
the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s) or the entity  
upon behalf of which the person(s) acted, executed the instrument.  
WITNESS my hand and official seal.

Signature

MAIL TAX STATEMENTS TO:

SAME AS ABOVE

City of Fort Bragg, a Municipal Corporation

By:

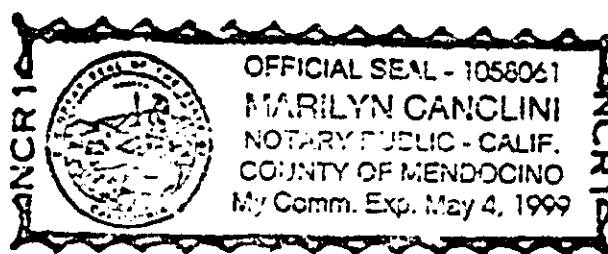
Lindy Peters, Mayor

ATTEST:

DeeLynn R. Carpenter,  
City Clerk

(This area for official notarial seal)

1002-SM (1/94)



Order No. 170305

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Mendocino, City of Fort Bragg and is described as follows:

TRACT ONE: Prelim Parcel One  
APN 18-120-47

All that real property situate in the City of Fort Bragg, County of Mendocino, State of California and being a portion of Section 18, Township 18 North, Range 17 West, M.D.M., more particularly described as follows:

All bearings used in this description are in terms of the California State Grid Zone II.

Commencing at the Northwest corner of Parcel 1, as delineated upon that certain Parcel Map filed in Map Case 2, Drawer 37, page 79, Mendocino County Records; said point also being in the Southerly Right of Way of South Street; thence from said point of commencement and along the Westerly boundary of said Parcels 1, 2 and 3, South 18°14'00" West, 361.81 feet, to the point of beginning; thence from said point of beginning, South 71°35'10" East, 149.38 feet, to a point in the Westerly Right of Way of Franklin Street; thence along said right of way of Franklin Street, South 18°24'50" West, 80.77 feet; thence along a curve concave to the Northwest, having a central angle of 2°23'17" a radius of 200.00 feet, an arc length of 8.34 feet, to a point of compound curve, also being concave to the Northwest, having a central angle of 83°29'46", a radius of 40.00 feet, an arc length of 58.29 feet to a point in the Northerly right of way of North Harbor Drive; thence along said Northerly right or way, North 59°26'30" West, 65.92 feet; thence North 41°15'56" West 41.56 feet to a point in the Westerly boundary of said property; thence leaving said right or way of North Harbor Drive, and along said Westerly property boundary, North 18°14'00" East, 80.19 feet to the point of beginning.

APN 18-120-47

TRACT TWO Prelim Parcel 2  
APN 18-120-48

All that real property situate in the City of Fort Bragg, County of Mendocino, State of California and being a portion of Section 18, Township 18 North, Range 17 West, M.D.M., more particularly described as follows:

All bearings used in this description are in terms of the California State Grid Zone II.

Commencing at the Northwest corner of Parcel 1, as delineated upon that certain Parcel Map filed in Map Case 2, Drawer 37, page 79, Mendocino County Records; said point also being in the Southerly Right of Way of South Street; thence from said point of commencement and along the Westerly boundary of

Order No. 170305

said Parcels 1 and 2, South 18°14'00" West, 261.81 feet, to the point of beginning; thence from said point of beginning, South 71°35'10" East, 149.69 feet, to a point in the Westerly Right of Way of Franklin Street; thence along said right of way of Franklin Street, South 18°24'50" West, 100.00 feet; thence leaving said right of way of Franklin Street, North 71°35'10" West, 149.38 feet; to a point in the Westerly boundary of said property; thence along said Westerly boundary, North 18°14'00" East, 100.00 feet, to the point of beginning.

APN 18-120-48

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Book: 2458 Page: 703