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County of San Diego
5560 Overland Ave., 4th Floor, Suite 410
San Diego, CA 92123

Your Ref:
Our Order No.: 1351591
Property Address: 1566 Kettner Avenue
San Diego, CA

Attention: Laura Freitas

Preliminary Report Dated as of March 20, 2015 at 7:30 A.M.

In response to the above referenced application for a Policy of Title Insurance,

First American Title Insurance Company

Hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception 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.

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

Please note that the America's First Homeowner's Policy (CLTA/ ALTA Homeowner's Policy) can only be issued on transactions involving individuals as purchasers and residential 1-4 properties. Any indication that the America's First Homeowner's Policy (CLTA/ ALTA Homeowner's Policy) will be issued in a transaction that does not meet these criteria is hereby revised to state that the policy contemplated is a Standard Coverage Policy.

Randy Dean, Title Officer

SCHEDULE A

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

 Fee simple.
2. Title to said estate or interest at the date hereof is vested in:

 COUNTY OF SAN DIEGO
3. The Land referred to in this report is situated in the State of California, County of San Diego, and is described as follows:

See attached Legal Description

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Diego, State of California, described as follows:

PARCEL 1:

LOTS 1, 2, 3, 4, 5 AND 6, EXCEPTING THEREFROM THAT PORTION THEREOF INCLUDED WITHIN THE RIGHT OF WAY OF THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, FORMERLY THE CALIFORNIA SOUTHERN RAILWAY COMPANY, TOGETHER WITH LOTS 8, 9, 10, 11 AND 12 ALL IN BLOCK 28 OF MIDDLETOWN, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE PARTITION MAP THEREOF MADE BY J.E. JACKSON ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY.

PARCEL 2:

LOT 7 IN BLOCK 28 OF MIDDLETOWN, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE PARTITION MAP THEREOF MADE BY J.E. JACKSON ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO.

APN: 533-322-04 and 533-322-05 and 533-322-06 and 533-322-07 and 533-322-09 and 533-322-10

SCHEDULE B

At the date hereof exceptions to coverage in addition to the printed exceptions and exclusions in the policy form designated on the face page of this report would be as follows:

1. General and special taxes and assessments for the fiscal year 2015-2016, a lien not yet due or payable.
2. General and special taxes and assessments for the fiscal year 2014-2015 are exempt.
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. A pending assessment for the district shown below. When notice of the assessment is recorded with the county recorder, the assessment shall become a lien on said land.

District No. Ordinance 18374-Business Improvement District Little Italy
Amount: \$5,000.00 Per Annum,
Recorded: January 17, 1997 as Instrument No. 1997-0023908 of Official Records.
5. Water rights, claims or title to water, whether or not shown by the public records.
6. An easement for aerial and underground communication structures and incidental purposes, recorded October 10, 1956 as Instrument No. 142914 in Book 6294, Page 19 of Official Records.
In Favor of: The Pacific Telephone and Telegraph Company, a corporation
Affects: The Northerly 20 feet of the Easterly 10 feet of Lot 1
7. The terms and provisions contained in the document entitled Covenant and Agreement, executed by and between Kenneth H. Frens and City of San Diego, recorded May 9, 1975, as Instrument No. 75-112952 of Official Records.
8. The terms and provisions contained in the document entitled Covenant and Agreement, executed by and between Roger L. Lichtenberger and City of San Diego, recorded July 12, 1976, as Instrument No. 76-217387 of Official Records.
9. An easement for underground electric facilities and incidental purposes, recorded April 22, 1997 as Instrument No. 1997-0184489 of Official Records.
In Favor of: San Diego Gas & Electric Company, a corporation
Affects: A portion of Lots 5 and 8

The terms and provisions contained in the document entitled "Quitclaim of Easement" recorded February 8, 2013 as Instrument No. 2013-0088109 of Official Records.

(Affects Lot 8)
10. The terms and provisions contained in the document entitled Memorandum of Agreement for Telecommunications Facilities and Service, and Request for Notice, executed by and between The Park at Little Italy, LLC, a Delaware limited liability company and Coxcom, Inc., a Delaware corporation, d/b/a Cox Communications San Diego, recorded May 24, 2002, as Instrument No. 2002-0443631 of Official Records.

11. An easement for public transportation and incidental purposes, recorded September 19, 2003 as Instrument No. 2003-1155942 of Official Records.

In Favor of: San Diego Metropolitan Transit Development Board, a public agency

Affects: A portion of said land

12. The unrecorded lease by and between the parties named herein, for the term and upon the terms, covenants and conditions therein provided:

Disclosed by: Information in possession of this company

Type of Lease: Not shown

Dated: August 1, 1993

Lessor: County of San Diego

Lessee: Daryl e. Bucciarelli

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

13. The unrecorded lease by and between the parties named herein, for the term and upon the terms, covenants and conditions therein provided:

Disclosed by: Information in possession of this company

Dated: December 1, 2004

Lessor: County of San Diego

Lessee: Five Star Parking - San Diego

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

14. The unrecorded lease by and between the parties named herein, for the term and upon the terms, covenants and conditions therein provided:

Disclosed by: Information in possession of this company

Dated: June 1, 2004

Lessor: County of San Diego

Lessee: Art for People dba Art Walk

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

15. The fact that the land lies within the boundaries of the Centre City Redevelopment Project Area, as disclosed by the document recorded April 30, 2007 as Instrument No. 2007-0292863 of Official Records.

Document(s) declaring modifications thereof recorded September 4, 2009 as Instrument No. 2009-0499449 of Official Records.

16. The terms and provisions contained in the document entitled "Notice of Geotechnical Conditions" recorded June 25, 2014 as Instrument No. 2014-0263832 of Official Records.

17. The Terms, Provisions and Easement(s) contained in the document entitled "Encroachment Maintenance and Removal Agreement" recorded July 9, 2014 as Instrument No. 2014-0284582 of Official Records.

18. 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.

19. Any rights, interests, or claims of parties in possession of the land not shown by the public records.
20. With respect to County of San Diego, we will require copies of the articles of organization, bylaws, and other governing documents and any amendments thereto. Other requirements will be made following a review of such documents.

***** END OF REPORT *****

1. Notice of change in ownership recording procedure

Effective July 1, 1985 pursuant to state law as amended January 1, 2011 (Section 480.3 of the Revenue and Taxation Code), all Deeds and other Documents that reflect a change in ownership must be accompanied by a Preliminary Change of Ownership Report to be completed by the transferee.

If this special report is not presented at the time of recording, an additional recording fee of \$20.00, as required by law, will be charged.

Preliminary Change in Ownership forms, instructions on how to complete them, and a non-exclusive list of documents that are affected by this change, are available from the County Recorder's Office or the Office of the County Assessor.

2. GOOD FUNDS LAW

Under Section 12413.1 of the California Insurance Code, North American Title Company, Inc. may only make funds available for disbursement in accordance with the following rules:

Same day availability. Disbursement on the date of deposit is allowed only when funds are deposited to North American Title Company, Inc. by Cash or Electronic Transfer (Wire). Cash will be accepted only under special circumstances and upon approval by management.

Next business day availability. If funds are deposited to North American Title Company, Inc. by cashier's checks, certified checks or teller's checks, disbursement may be on the next business day following deposit. A "teller's check" is one drawn by an insured financial institution against another insured financial institution (e.g., a savings and loan funding with a check drawn against a FDIC insured bank).

Second business day availability. If the deposit is made by checks other than those described in paragraphs 1 and 2 above, disbursement may occur on the day when funds must be made available to depositors under Federal Reserve Regulation CC. In most cases, these checks will be available on the second business day following deposit. (For further details, consult California Insurance Code Section 12413, et seq. and Regulation CC).

These are the minimum periods before funds will be made available. North American Title Company, Inc. is not obligated to disburse funds at the expiration of the time periods above, and expressly reserves the right to require additional time before disbursing on deposited funds. Close of escrow and final disbursement will not be made based on deposits in the form of personal checks, corporate checks, credit union checks, money market checks, travelers checks and official checks until confirmation of final clearance of the funds.

North American Title Company will not be responsible for accruals of interest or other charges resulting from compliance with the disbursement restrictions imposed by state law.

For Your Information, Our Wire Instructions Are:

Wire To:

Comerica Bank
2321 Rosecrans Ave, Ste 5000
El Segundo, CA 90245

Credit the Account of:

North American Title Company, Inc.
Bank Account No.: 1893920700 ABA No.: 121137522
Escrow No. 92070-1351591-15

North American Title Company, Inc., will not accept funds in the form of ACH transfer
ACH = Automatic Clearing House

Be sure to reference our order number 92070-1351591-15.

Should this office be required to wire funds out at close of escrow, please be informed that wiring instructions should be received as soon as possible, but no later than the following times.

Wires outside the State of California:
11:00 A.M. ON DATE OF WIRE

Wires within the State of California:
12:00 P.M. ON DATE OF WIRE

Effective January 1, 1991

A service charge of \$25.00 will be assessed for all funds disbursed by this Company by wire.

3. North American Title Company, Inc.'s charges for recording the transaction documents include charges for services performed by North American Title Company, Inc., in addition to an estimate of payments to be made to governmental agencies.
4. 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.
5. The map attached, if any, may or may not be a survey of the land depicted hereon. North American Title 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.

NORTH AMERICAN TITLE COMPANY
2100 S. E. Main Street, Suite 450, Irvine, CA 92614
(800)464-6282
Fax: (714)667-0338 Email: randydeanteam@nat.com

Closing Protection Letters can be ordered directly by emailing cacpl@nat.com with your title order number and property address.

Attention:

Your Ref:

Our Order No.: 92070-1351591-15

LENDERS SUPPLEMENTAL REPORT

Dated as of March 20, 2015 AT 7:30 A.M.

Title Officer: Randy Dean

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

Our ALTA Loan Policy, when issued, will contain Endorsement Nos. 100 and 116.

There is located on said land a Commercial Structure
Known as: 1566 Kettner Avenue
Unincorporated Area
County of San Diego
State of California.

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

FACTS**WHAT DOES NORTH AMERICAN TITLE GROUP, INC. FAMILY OF COMPANIES DO WITH YOUR PERSONAL INFORMATION?****Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- transaction history and payment history
- purchase history and account balances

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons North American Title Group, Inc. Family of Companies ("NATG") choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does NATG share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Call 1 (888) 444-7766, extension 6585

Who we are

Who is providing this notice?	The North American Title Group, Inc. Family of Companies (identified below), such as home owners insurance and home mortgage companies.
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What we do

How does NATG protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does NATG collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • apply for financing or provide employment information • provide account information or show your government issued ID • give us your contact information <p>We also collect your personal information from others, such as credit bureaus, affiliates or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • sharing for affiliates' everyday business purposes—information about your creditworthiness • affiliates from using your information to market to you • sharing for nonaffiliates to market to you

Definitions

Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Our affiliates include the companies listed below.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Nonaffiliates we share with can include collection agencies, IT service providers, companies that perform marketing services on our or their own behalf, consumer reporting agencies, and others.</i> • <i>NATG does not share with nonaffiliates so they can market to you.</i>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • <i>NATG doesn't jointly market.</i>

Our Affiliates. The North American Title Group, Inc. Family of Companies is:

North American Title Company
 North American Title Insurance Company
 North American Title Alliance, LLC
 North American Title Florida Alliance, LLC
 North American Services, LLC
 North American Title Agency

North American Abstract Agency
 NASSA, LLC
 North American Title, LLC
 North American Advantage Insurance Services, LLC
 North American National Title Solutions, LLC
 North American Exchange Company

CLTA Preliminary Report Form - Exhibit A (06-05-14)

**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:

1 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 (whichever is less)	\$10,000
Covered Risk 18:	1% of Policy Amount Shown in Schedule A or \$5,000 (whichever is less)	\$10,000
Covered Risk 19:	1% of Policy Amount Shown in Schedule A or \$5,000 (whichever is less)	25,000
Covered Risk 21:	1% of Policy Amount Shown in Schedule A or \$2,500 (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] 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:

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

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

EXCEPTIONS FROM COVERAGE

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

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

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (12-02-13) EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions, or location of any improvement erected on the Land; (iii) the subdivision of land; or (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed, or agreed to by the Insured Claimant; (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy; (c) resulting in no loss or damage to the Insured Claimant; (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is (a) a fraudulent conveyance or fraudulent transfer, or (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
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.

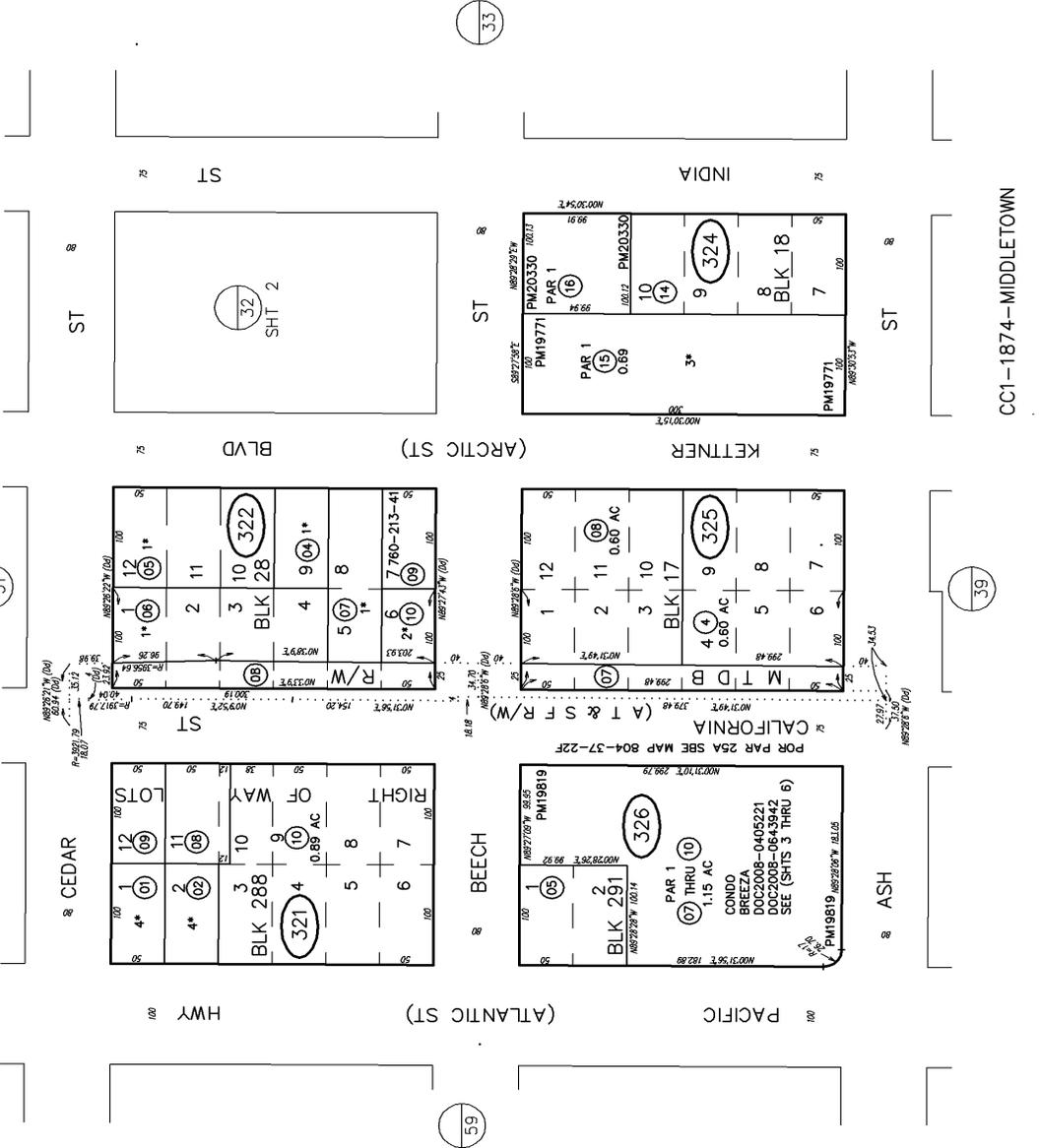
08

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY; NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

SAN DIEGO COUNTY ASSESSOR'S MAP
533-32
SHT 1 OF 6
1" = 100'
07/26/11 DEP
By: ECH From: PRROR

BLK	TRAC	AREA	ACR	PER	CD	VAL
322	PICK-UP	07	78	510		
323	PICK-UP	07	81	2292		
324	12 & 13	14	05	2291		
325	07 & 08	05	01	2035		
326	08 THRU 07	01 THRU 21	87	1778		
327	08 THRU 07	10	02	1782		
328	10 & 11	15	08	1684		
329	02 THRU 04	08	08	1509		
330	08 & 07	16	08	1722		
331	08	07 THRU 10	09	605		
332	05 & 06	08	11	1172		
333	07 & 05	07 & 00	12	1214		

- 1* 760-213-58
- 2* 760-213-65
- 3* CONDO (PEND)
- ALLEGRO TOMERS
- DOC 05-0842747
- 4* 760-213-96



08

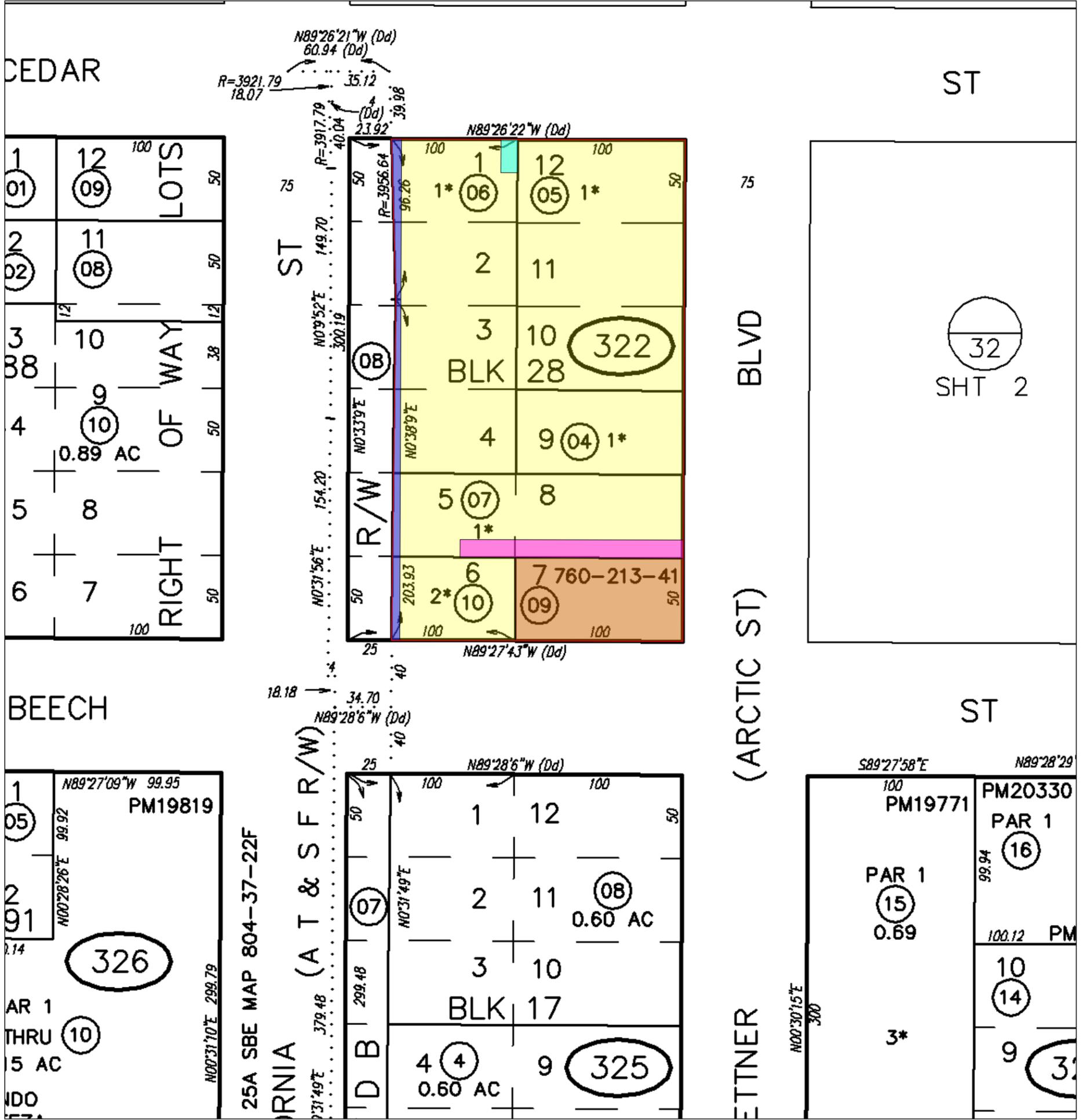
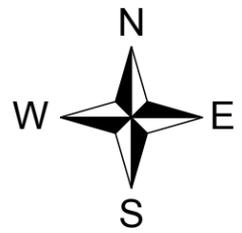
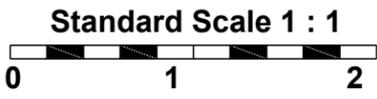
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CC1-1874-MIDDLETOWN



LEGEND

- Parcel 1 (Fee, Property in Question)
- Parcel 2 (Fee, Property in Question)
- Easement for Aerial and underground communication structures
10/10/1956, Instrument No. 142914, Book 6294, Page 19, of Official Records
Affects as described therein
- Easement for Public transportation
09/19/2003, Instrument No. 2003-1155942, of Official Records
Affects as described therein
- Easement for Underground electric facilities
04/22/1997, Instrument No. 1997-0184489, of Official Records
Affects as described therein

NORTH AMERICAN TITLE COMPANY
 2100 S.E. Main Street, Suite 450
 Irvine, California 92614
 Phone: (949) 419-9481 Fax : (714) 667-0338

Title Order No. 1351591, Preliminary Report Dated as of March 20, 2015
 Drawing Date: 03/30/2015
 Reference :
 Property: 1566 Kettner Avenue, San Diego, CA
 Assessor's Parcel Nos.:533-322-04, 05, 06, 07, 09 and 10

"Notice: This is neither a plat nor a survey. It is furnished merely as a convenience to aid you in locating the land indicated hereon with reference to streets and other land. No liability is assumed by reason of any reliance hereon."

Plat Showing the portion of Block 28 of Middletown, in the county San Diego, state of California.

NOTE: Easements depicted hereon are provided as a courtesy only and no representation is made as to the accuracy or completeness thereof. The Company assumes no liability for any loss occurring by reason of reliance thereon. It is recommended that a survey be obtained from a licensed professional to determine actual locations.