

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

629A



FORM APPROVED COUNTY COUNSEL
BY: Patricia Munroe 2/25/14
DATE

FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:

March 6, 2014

SUBJECT: Resolution No. 2014-012, Authorization to Relinquish Interest and Convey Real Property located near Weirwick onramp to I-15, in the County of Riverside, California, by Quitclaim Deed; CEQA Exempt; District 1, [\$10,000] 100% Sales Proceeds

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the 1.385 acres of vacant land located westerly of the southbound Weirick onramp to Interstate 15, and easterly of Knabe Road (the Property) to be CEQA exempt pursuant to section 15312 – surplus government property sale and section 15061 (b)(3) – no significant effect on the environment;
2. Adopt Resolution No 2014-012, Authorization to Convey a Real Property Interest in Real Property;
3. Approve the Offer and Agreement to Purchase Real Property and authorize the Chairman to execute the same; and

(Continued)

FISCAL PROCEDURES APPROVED
RAUL ANGULO, CPA, AUDITOR-CONTROLLER

BY: Raul Angulo 3/5/14

Robert Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 10,000	\$ 0	\$ 10,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: 100% Sale Proceeds

Budget Adjustment: No

For Fiscal Year: .2013/14

C.E.O. RECOMMENDATION:

APPROVE

BY:

Rohini Dasika
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

☐ A-30 ☐ Positions Added
☒ 4/5 Vote ☐ Change Order

Prev. Agn. Ref.: 2-16 of 9/24/13

District: 1/1

Agenda Number:

3-8

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Economic Development Agency/Facilities Management

FORM 11: Resolution No. 2014-012, Authorization to Relinquish Interest and Convey Real Property located near Weirick onramp to I-15, in the County of Riverside, California, by Quitclaim Deed; CEQA Exempt; District 1, [\$10,000] 100% Sales Proceeds

DATE: March 6, 2014

Page 2 of 2

RECOMMENDED MOTION: (Continued)

4. Authorize the Chairman to execute the Quitclaim Deed running in favor of the Buyer.

BACKGROUND:

Summary

A portion of Temescal Canyon Road was relinquished to the County of Riverside by the State of California in 1966. As a result of Knabe Road being realigned by Parcel Map 30240, filed in Book 208, Pages 26 through 45, inclusive of Maps, records of Riverside County, California, this portion of relinquished Temescal Canyon Road was deemed excess right-of-way, and was summarily vacated by Resolution 2013-211, adopted September 24, 2013, agenda item 2-16, as submitted by the Transportation Department.

Under Section 8355 of the California Streets and Highways Code, if the legislative body of a public entity determines that property previously subject to a street, highway, or public service easement, title to which is owned by the public entity, is no longer needed by the public, in the case of property owned by a local agency, the legislative body may sell or exchange the property in the manner, and upon the terms and conditions approved by the legislative body.

Under Section 8356 of the California Streets and Highways Code, if a street or highway is vacated by a local agency for the purpose of opening a new street or highway in lieu of that vacated, the legislative body of the local agency may, by resolution, convey by deed its interest in the street or highway vacated to the owners of the lands adjacent to or fronting on the street or highway in such manner as it deems that equity requires.

The Property consists of 1.385 acres of vacant land, situated westerly of the southbound Weirick onramp to Interstate 15, and easterly of Knabe Road. The appraised value of the Property is \$230,000.00. The owner of the adjacent property, identified as Assessor's Parcel Number 282-100-019, was the applicant for said vacation, and has proposed purchasing the vacated right-of-way from County for the appraised value.

Impact on Residents and Businesses

Economic impacts can be recognized once a specific buyer is identified and their development plans for the land can be ascertained.

SUPPLEMENTAL:

Additional Fiscal Information

The Economic Development Agency, Real Estate Division, will be reimbursed through proceeds of this sale and for actual costs incurred, including labor estimated to be \$10,000.00. There is no budget adjustment required.

Attachments:

Resolution No. 2014-012

Offer and Agreement to Purchase Real Property (4)

Quitclaim Deed

BOARD OF SUPERVISORS

COUNTY OF RIVERSIDE

Resolution No. 2014-012

Authorization to Convey a Real Property Interest
in Real Property in the County of Riverside, California
by Quitclaim Deed (Knabe Road)

WHEREAS, the land consisting of approximately 1.385 acres is a portion of the former Temescal Canyon Road as relinquished to the County of Riverside by the State of California as shown as Segments 4 and 5 on Caltrans Relinquishment Map, Book 4, Page 89, records of Riverside County;

WHEREAS, as a result of Knabe Road being realigned by Parcel Map 30240, filed in Book 208, Pages 26 through 45, Inclusive of Maps, records of Riverside County, California, the hereinafter described portion of relinquished Temescal Canyon Road was no longer required for right-of-way purposes;

WHEREAS, the land was summarily vacated by County on September 24, 2013;

WHEREAS, the land is not required for County's use; and

WHEREAS, pursuant to Section 8355 and 8356 of the Streets and Highways Code, the Board of Supervisors has the legal authority to convey the land to the abutting property owner, now, therefore,

BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Supervisors of the County of Riverside, California, in regular session assembled on March 18, 2014, at 9:00 a.m., in the meeting room of the Board of Supervisors located on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, authorizes the conveyance by quitclaim deed to KIENLE7979, LLC the following described real property: Certain real property located in the County of Riverside, State of California, more particularly described in Exhibit A Legal Description, attached hereto and thereby made a part hereof.

APPROVED COUNTY COUNSEL

4/15/14
TRICIA MUNROE

1 BE IT FURTHER RESOLVED AND DETERMINED that the Chairman of the Board of
2 Supervisors of the County of Riverside is authorized to execute the documents to complete the
3 conveyance of real property and this transaction.

4 BE IT FURTHER RESOLVED AND DETERMINED that the Assistant County Executive
5 Officer/EDA or his designee, is authorized to execute any other documents to complete this
6 transaction.

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S:\Real Property\TYPING\Docs-16.000 to 16.499\16.497.doc

COPY

Recorded at request of and return to:
Steve Kienle
3213 Adams Street
Riverside, California 92504

FREE RECORDING
This instrument is for the benefit of
County of Riverside, and is
entitled to be recorded without fee.
(Govt. Code 6103)

JF:sl/110513/993FM/16.457

Space above this line reserved for Recorder's Use

QUITCLAIM DEED

For good and valuable consideration, the receipt and adequacy of which are acknowledged,

COUNTY OF RIVERSIDE, a political subdivision of the State of California,

does hereby remise, release and forever quitclaim to KIENLE7979, LLC, a California limited liability company, all right, title, and interest Grantor has in the real property located in Riverside County, California, described in Exhibit "A" and shown on Exhibit "B" and incorporated by reference.

GRANTEE agrees that there shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the subsequent sales, leases, subleases, transfers, uses, occupancy, tenure, or enjoyment of the Property. GRANTEE, or any person claiming under or through GRANTEE, shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or, occupancy of tenants, lessees, subtenants, sublessees, or vendees in the real property.

Dated: _____

GRANTOR:

By: _____
Jeff Stone, Chairman
Its: Board of Supervisors

FORM APPROVED COUNTY COUNSEL

BY PATRICIA MUNROE 11/15/13
DATE

STATE OF CALIFORNIA

)

)ss

COUNTY OF _____)

On _____, before me, _____, a Notary Public
in and for said County and State, personally appeared

_____, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal:

Signature _____

[SEAL]

EXHIBIT "A"
LEGAL DESCRIPTION

A portion of Segments 4 and 5, per State Highway Relinquishment Map, as filed in Book 4, Page 89 of Caltrans Relinquishment Maps (CTRM) in the office of the Riverside County Surveyor and being within Government Lot 10, Section 21, Township 4 South, Range 6 West, San Bernardino Base Meridian, County of Riverside, State of California, more particularly described as follows:

COMMENCING at the intersection of the Southeasterly 59.00 foot half width right of way line of Weirick Road per Parcel Map 30240, as filed in Book 208, Pages 26 through 45, inclusive, of Parcel Maps, and the Northeasterly line of Parcel 1 per said Map, said Northeasterly line also being the Southwesterly line of Segment 4 per said Caltrans Relinquishment Map;

THENCE along said Northeasterly line, South $16^{\circ}39'30''$ East, a distance of 10.17 feet;

THENCE continuing along said Northeasterly line, South $38^{\circ}45'50''$ East, a distance of 2.65 feet to the beginning of a non-tangent 529.00 foot radius curve concave Southeasterly, a radial line bears North $41^{\circ}46'39''$ West, said point being on the Southwesterly line of Parcel E as described in Instrument No. 06-0209366 recorded March 24, 2006, Official Records of said county, said point also being the **TRUE POINT OF BEGINNING**;

THENCE Northeasterly along the arc of said curve through a central angle of $17^{\circ}10'38''$, a distance of 158.59 feet to the Southwesterly line of State of California acquisition Parcel 12812-A as shown on Caltrans Map 989573, as filed in Book 204, Page 408 and 409 of Caltrans maps in the office of said Riverside County Surveyor;

THENCE South $34^{\circ}08'58''$ East, a distance of 677.68 feet along said Southwesterly line and the Southwesterly line of State of California acquisition Parcel 12803 per said Caltrans Map to a point of cusp with a non-tangent 1109.00 foot radius curve concave Southwesterly, a radial line bears North $46^{\circ}54'44''$ East;

THENCE Northwesterly along the arc of said curve through a central angle of $25^{\circ}32'49''$, a distance of 86.48 feet to the beginning of a non-tangent compound 810.00 foot radius curve concave Southwesterly, a radial line bears North $48^{\circ}59'02''$ East;

THENCE Northwesterly along the arc of said non-tangent compound curve through a central angle of $25^{\circ}32'49''$, a distance of 361.16 feet to the Southwesterly line of said Segment 4, said line also being the Northeasterly line of said Parcel 1;

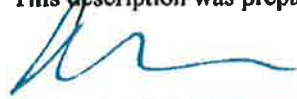
EXHIBIT "A"
LEGAL DESCRIPTION

THENCE along said line, non-tangent from said curve, North 38°45'50" West, a distance of 259.01 feet to the **TRUE POINT OF BEGINNING**.

Containing 60331 square feet, 1.385 acres, more or less.

EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

This description was prepared by me or under by direction.



William Rohal L.S. 8805
Exp. Date 12/31/2014

11-6-2013

Date





11-6-2013

DATE

EXHIBIT "B"

SHEET 1 OF 1

SEE DETAIL "A"

NAME	LINE TABLE	LENGTH
L1	S 16°39'30" E	10.17'
L2	S 38°45'50" E	2.65'
L3	S 34°08'58" E	677.68'
L4	N 38°45'50" W	259.01'

NAME	CURVE TABLE	ARC
C1	17°10'38"	529.00
C2	4°28'05"	1109.00
C3	25°32'49"	810.00

WEIRICK ROAD

N41°16'59"W RAD
N41°46'39"W RAD

TPOB

PORTION
SEG 4 & 5
CTRM 4/89
1.385 AC.

PARCEL
NO. 12812-4

PARCEL
NO. 208 /
26-45

SOUTHWESTERLY LINE
PER CTRM 4/89 &
NORTHEASTERLY LINE
PAR. 1, PM 208/26-45

RW DEDICATION
INST. NO. 06-0209366
REC. 3-24-2006

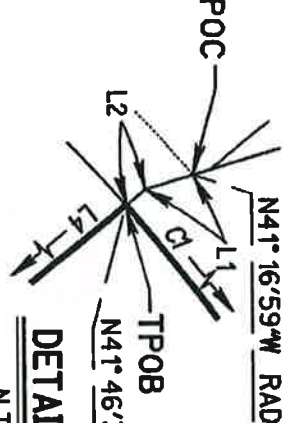
KNABE ROAD

PORTION GOV'T
LOT 10
SECTION 21
T. 4 S. R. 6 W. S.B.M

RIGHT OF
WAY PER
CALTRANS
RW MAP
4/89

DETAIL "A"

N.T.S.



RICK
ENGINEERING COMPANY
Riverside

1770 IOWA AVENUE - SUITE 100
RIVERSIDE, CA 92507
951.782.0707
(FAX) 951.782.0723

rickengineering.com
San Diego - Orange - San Luis Obispo - Bakersfield - Sacramento - Phoenix - Tucson



SCALE: 1" = 100'

N48°59'02"E PCC
RAD R=810.00'
N42°26'59"E
RAD R=1109.00' C2
N46°54'44"E RAD

OFFER AND AGREEMENT TO PURCHASE REAL PROPERTY

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1 Assessor's Parcel No.: Vacated right-of-way adjacent to 282-100-019
2 Property Location: Weirick Road & Interstate 15

3
4 **OFFER AND AGREEMENT TO PURCHASE REAL PROPERTY**

5 **BUYER:** Kienle7979, LLC, a California limited liability company

6 **SELLER:** COUNTY OF RIVERSIDE

7 For valuable consideration, BUYER has made an offer and agrees to purchase and SELLER agrees to
8 sell the real property, hereinafter referred to as the "Property," commonly referred to as the Knabe
9 Surplus Parcel, described in the Preliminary Report attached hereto as "Exhibit A," upon the terms and
conditions as stated herein for the purchase price of:

10 **Two Hundred Thirty Thousand Dollars (\$230,000.00)**

11 BUYER herewith gives SELLER a good faith deposit (hereinafter the "Bid Deposit") in the amount of
12 Six Thousand Nine Hundred Dollars (\$6,900.00). (3% of sales price)

13 **1. TERM OF OFFER**

14 This offer will remain open and will not be revoked by BUYER for the period commencing with the date
of execution of this agreement by BUYER and ending on the earlier of:

15 A. 100 days thereafter; or

16 B. Receipt of written notice from SELLER that the offer has been rejected.

17 Within 100 days after the execution of this agreement by BUYER, SELLER shall consider this offer and
18 accept or reject it. SELLER's failure to consider the offer and accept or reject it within the 100 day
period shall neither subject SELLER to any liability, nor constitute an acceptance of the offer.

19 SELLER may accept this offer after expiration of such 100 day period, subject to BUYER's right to
20 withdraw the offer as set forth in Clause 2 (Rejection or Withdrawal of Offer).

21 BUYER acknowledges that no rights or interests in the Property are created by submission of this offer.
22 This agreement is not binding upon SELLER until the offer is accepted in the manner prescribed herein
and BUYER complies fully with each and every term and condition contained herein.

23 **2. REJECTION OR WITHDRAWAL OF OFFER**

24 Should this offer be rejected, the Bid Deposit paid by BUYER shall be refunded.

25 Should SELLER fail to accept or reject this offer within the 100 day period specified in Clause 1 (Term
26 of Offer), BUYER may withdraw the offer by providing written notice to SELLER. In such event, the Bid
Deposit paid by BUYER shall be refunded, provided BUYER withdraws the offer prior to SELLER's
27 acceptance of the offer as set forth in Clause 1 (Term of Offer).
28

1 **3. ESCROW**

2 If this offer is accepted, BUYER and SELLER agree to execute escrow instructions reasonably required
3 by First American Title Company, hereinafter referred to as the "Escrow Holder." Signed escrow
4 instructions shall be delivered to the Escrow Holder within 10 days after acceptance of this offer and
5 shall provide for close of escrow within 60 days after acceptance of this offer, or sooner if it is mutually
6 desirable to BUYER and SELLER. The term of escrow shall not be extended unless authorized in
7 writing by SELLER.

8 Balance of the bid amount hereby offered, in excess of the down payment shall be paid in cash within
9 sixty (60) days of the bid acceptance.

10 Close of escrow shall be the date that the documents are recorded. If escrow does not close within the
11 original 60-day term, or within the term of any authorized extension, SELLER may cancel escrow. In
12 such event, the Escrow Holder shall remit to SELLER all escrow payments made by BUYER, except an
13 amount equal to escrow and title cancellation fees which shall be retained by the Escrow Holder.
14 SELLER shall disburse this remittance in accordance with Clause 16 (Liquidated Damages).

15 **4. DEPOSITS**

16 Within 10 days after acceptance of this offer, BUYER shall pay into escrow an amount hereinafter
17 referred to as the "Additional Deposit," equal to the escrow and title cancellation fees. These fees shall
18 be applied to BUYER's closing costs, provided escrow is not canceled.

19 In the event BUYER fails, for any reason whatsoever, to pay into escrow within such 10-day period the
20 amounts specified in this clause, SELLER may cancel escrow and retain the Bid Deposit as liquidated
21 damages in accordance with Clause 16 (Liquidated Damages).

22 The Bid Deposit paid by BUYER outside of escrow and the Additional Deposit specified in this clause
23 shall constitute a portion of the purchase price. The balance of the purchase price shall be paid into
24 escrow by BUYER as provided in Clause 8 (Delivery of Documents and Funds).

25 **5. BUYER'S COSTS**

26 BUYER shall pay the following closing costs in connection with this purchase:

- 27 A. The standard owner's title insurance policy; if Buyer desires to purchase;
- 28 B. The escrow fee;
- 29 C. Lender's title insurance policy, if any;
- 30 D. Documentary transfer tax;
- 31 E. Water stock transfer fees, if any; and
- 32 F. All other closing costs and recording fees applicable to this purchase, including, without
33 limitation, preliminary change of ownership fees.

34 If all conditions of this offer are met by SELLER, but BUYER does not complete the purchase, BUYER
35 will be responsible for payment of any escrow and title cancellation fees.

36 **6. SELLER'S COSTS**

37 SELLER shall pay the following closing costs in connection with this purchase:

1 A. None

2 All other closing costs shall be borne by BUYER.

3 **7. DELIVERY OF DOCUMENTS AND FUNDS**

4 SELLER shall deliver to escrow a Quit Claim Deed, in the form attached hereto as "Exhibit B," and such
5 other documents as are required to transfer title to the Property.

6 Prior to the date set for close of escrow and when so instructed by the Escrow Holder, BUYER shall
7 pay into escrow:

8 A. The balance of the purchase price; and

9 B. An amount sufficient to pay for all of BUYER's closing costs, as calculated by the Escrow
10 Holder.

11 All payments specified in this clause shall be by cash, cashier's check, or wire transfer such that the
12 Escrow Holder can disburse cash proceeds accrued to SELLER at close of escrow.

13 **8. TITLE**

14 If Buyer chooses to purchase a standard coverage owner's title insurance policy with liability equal to
15 the purchase price, it shall be supplied by First American Title Company.

16 Title shall be subject to:

17 A. Exceptions shown in Exhibit A, the Preliminary Report attached hereto, except any delinquent
18 taxes shown in said Report which shall be paid through escrow;

19 B. Any deed of trust or other documents needed to perfect the security interest of the lender, if
20 any, providing purchase money for this purchase.

21 C. An easement reserved to California Electric Power Company, its successors or assigns, for
22 public utilities and incidental purposes, recorded May 26, 1961 as Instrument No. 45188 of
23 Official Records, the exact location thereof disclosed by the records.

24 If SELLER is unable to deliver title to the Property as set forth above, BUYER shall have the option to:

25 D. Accept title in the condition it exists, without a reduction in the purchase price. Acceptance of
26 such title by BUYER shall constitute full satisfaction of the terms of this agreement as they
27 relate to title, and SELLER shall in no way be liable for failure to deliver title as set forth above;
28 or

29 E. Terminate this agreement by delivering written notice thereof to SELLER and to the Escrow
30 Holder. In such event, BUYER shall receive a refund of all money paid hereunder except costs
31 already expended by the Buyer for initiating the sale. BUYER and SELLER shall be relieved of
32 further obligation to one another. If the agreement is terminated as provided for in this
33 paragraph, all escrow and title fees incurred shall be paid by SELLER, and BUYER shall not be
34 liable therefore.

35 **9. VESTING**

36 Title to the Property to be conveyed pursuant to this agreement shall be vested as set forth by BUYER

below. Verify and initial

BUYER IS AWARE THAT THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES AND HAS GIVEN THIS MATTER SERIOUS CONSIDERATION.

10. PRORATIONS

Property taxes shall not be prorated to the close of escrow. Buyer is responsible for taxes that are due and payable at the close of escrow. There shall be no other prorations made in connection with this purchase.

11. TAXES

THE PROPERTY WILL BE REASSESSED UPON CHANGE OF OWNERSHIP. THIS WILL AFFECT THE AMOUNT OF PROPERTY TAXES. After close of escrow, a Supplemental Tax Bill will be issued which shall be the responsibility of BUYER to pay.

12. POSSESSION

Possession and occupancy of the Property shall be delivered to BUYER at close of escrow.

13. PROPERTY SOLD IN "AS-IS" CONDITION

BUYER acknowledges that the Property is sold in "as-is" condition, as of the date of this agreement, without warranty, and that SELLER is not responsible for making corrections or repairs of any nature. BUYER further acknowledges that SELLER has made no representations or warranties regarding the Property, including, but not limited to:

- A. Condition of built-in appliances, foundations, roof, plumbing, heating, air conditioning, electrical, mechanical security, pool/spa, if any, other structural and non-structural systems and components, and energy efficiency of the Property;
- B. Square footage, room dimensions, lot size, and age of property improvements;
- C. Property lines and boundaries;
- D. Type, size, adequacy, capacity, and condition of sewer systems and components;
- E. Possible absence of required governmental permits, inspections, certificates, or other determinations affecting the property; limitations, restrictions, and requirements affecting the use of the Property, future development, zoning, building, and size;
- F. Governmental restrictions which may limit the amount of rent that can lawfully be charged and/or the maximum number of persons who can lawfully occupy the Property;
- G. Water and utility availability and use restrictions;
- H. Potential environmental hazards, including asbestos, formaldehyde, radon, methane, other gases, lead-based paint, other lead contamination, fuel or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions;
- I. Geologic/seismic conditions, soil and terrain stability, suitability, and drainage;
- J. Neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, proximity to commercial, industrial, or agricultural activities, crime statistics, fire protection, other governmental services, existing and proposed transportation,

(initial)

1 construction, and development which may affect noise, view, or traffic, airport noise, noise
2 or odor from any source, wild and domestic animals, or other nuisances, hazards, or
3 circumstances; and

4 K. Conditions and influences of significance to certain cultures and/or religions, and personal
5 needs, requirements, and preferences of BUYER.

6 BUYER represents and warrants to SELLER that BUYER and/or BUYER's representatives and
7 employees have made their own independent inspections, investigations, tests, surveys, and other
8 studies of the Property and agrees to purchase the Property in "as-is" condition.

9 **14. TRANSFER DISCLOSURE**

10 This provision is not applicable to this transaction.

11 **15. LIQUIDATED DAMAGES**

12 IF BUYER FAILS TO PROCEED WITH THE PURCHASE AS HEREIN PROVIDED BY
13 REASON OF ANY DEFAULT OF BUYER, SELLER SHALL BE RELEASED FROM
14 SELLER'S OBLIGATION TO SELL THE PROPERTY TO BUYER. BY INITIALING THIS
15 PARAGRAPH, BUYER AND SELLER AGREE THAT, IN SUCH EVENT, SELLER SHALL
16 RETAIN AS LIQUIDATED DAMAGES THE LESSER OF THE TOTAL DEPOSITS
17 ACTUALLY PAID BY BUYER, OR ANY AMOUNT THEREFROM, NOT EXCEEDING 3% OF
18 THE PURCHASE PRICE, AND SHALL PROMPTLY RETURN ANY EXCESS TO BUYER.

19 SELLER's Initials /

20 BUYER's Initials *[Signature]*

21 Failure to initial the paragraph above renders this offer non-responsive and the offer will be returned to
22 BUYER without consideration of SELLER.

23 **16. NON-DISCRIMINATION AND PROPERTY USE**

24 BUYER agrees that there shall be no discrimination against, or segregation of, any person or group of
25 persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the
26 subsequent sales, leases, subleases, transfers, uses, occupancy, tenure, or enjoyment of the Property.
27 BUYER, or any person claiming under or through BUYER, shall not establish or permit any such
28 practice or practices of discrimination or segregation with reference to the selection, location, number,
use or, occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property.

BUYER acknowledges that the covenants and restrictions contained in this clause shall be included as
covenants and restrictions in the Quit Claim Deed conveying title to the Property.

17. PERMITS AND LICENSES

BUYER shall be required to obtain any and all permits and/or licenses which may be required in
connection with the purchase of the Property. No permit, approval, or consent given to BUYER by
SELLER, in its governmental capacity, shall affect or limit BUYER's obligations hereunder. No
approvals or consents given by SELLER, as a party to this agreement, shall be deemed approval as to
compliance or conformance with applicable governmental codes, laws, or regulations.

18. ASSIGNMENT

This agreement shall not be sold, assigned, or otherwise transferred by BUYER without the prior written
consent of SELLER. Failure to obtain SELLER's written consent shall render such sale, assignment, or
transfer void.

 [Signature]
(initial)

1 **19. SUCCESSORS IN INTEREST**

2 Subject to the restrictions in Clause 18 (Assignment), this agreement shall inure to the benefit of, and
3 be binding upon, BUYER and SELLER and their respective heirs, successors, and assigns.

4 **20. PARTIAL INVALIDITY**

5 This agreement shall be governed by and construed according to the laws of the State of California.
6 The invalidity of any provision in this agreement, as determined by a court of competent jurisdiction,
7 shall in no way affect the validity of any other provision hereof.

8 **21. NOTICES**

9 All notices, documents, correspondence, and communications concerning this transaction shall be
10 addressed as set forth in this clause, or as the parties may hereafter designate by written notice, and
11 shall be sent through the United States mail, duly registered or certified with postage prepaid. Any
12 such mailing shall be deemed served or delivered 24 hours after mailing. Notwithstanding the above,
13 SELLER may also provide notices, documents, correspondence, or such other communications to
14 BUYER by personal delivery or by regular mail and, so given, shall be deemed to have been given
15 upon receipt if provided by personal delivery or 48 hours after mailing if provided by regular mail.

16 **SELLER**

17 County of Riverside
18 3403 10th Street, Suite 400
19 Riverside, CA 92501

20 (951) 955-4820

21 **BUYER**

22 Kienle7979, LLC
23 3213 Adams Street
24 Riverside, CA 92504

25 (951) 688-3332

26 **Escrow Holder**

27 First American Title Insurance Company
28 3281 E. Guasti Road, Suite 440
Ontario, CA 91761
Telephone: (909) 510-6207

29 **22. BROKER'S FEES**

- 30 ☐ BUYER is represented by the licensed real estate broker listed below and requests that a
31 commission in the amount referenced in paragraph A. below be paid to broker by SELLER from
32 the sale proceeds.

33 Name of Broker: _____

34 Address: _____

35 Telephone: _____ Social Security or Tax ID #: _____

36 It is understood by and between BUYER and SELLER that:

- 37 A. The amount of the commission shall be ___% of the purchase price;
38 B. No commission is payable in connection with this offer unless the offer is accepted and the
39 purchase is completed;
40 C. If the offer is accepted and the purchase is completed, the full amount of the agreed
41 commission shall be considered earned at close of escrow; and

43  (initial)

1 D. If the offer is accepted and the purchase is not completed and SELLER determines that
2 BUYER's deposits shall be retained by SELLER as liquidated damages, no commission will be
3 paid.

BUYER's Initials 

4 ☒ BUYER is not represented by a real estate broker and does not request a commission be paid by
5 SELLER.

BUYER's Initials 

6 **23. TIME**

7 Time is of the essence in the performance of BUYER's and SELLER's respective obligations contained
8 in this agreement. Failure to comply with any time requirement contained herein shall constitute a
9 material breach of this agreement.

9 **24. AMENDMENTS**

10 This agreement contains the sole and only agreement between BUYER and SELLER relating to this
11 offer and agreement to purchase the Property described herein. All negotiations and agreements
12 between BUYER and SELLER are merged into this agreement. Any oral representations or
13 modifications are of no force and effect unless contained in a subsequent instrument made in writing
14 and signed by both BUYER and SELLER.

13 **25. ATTACHMENTS**

14 This agreement includes the following, which are attached and made a part hereof:


15 Exhibit A: Preliminary Report

16 Exhibit B: Quitclaim Deed

17 ///

18 ///

19 ///

 (initial)

1 BUYER hereby submits this offer with full cognizance of the terms and conditions contained herein.

2 **BROKER** None

BUYER

KIENLE7979, LLC

By: 
Steven C. Kienle

8 SELLER has considered and accepts this offer on this date of _____, 20____.

SELLER

COUNTY OF RIVERSIDE

By: _____
Jeff Stone, Chairman
Board of Supervisors

14 **ATTEST:**
Kecia Harper-Ihem
Clerk of the Board

16 By: _____

17 **APPROVED AS TO FORM:**
18 Pamela J. Walls
19 County Counsel

20 By: 
21 Patricia Munroe
Deputy County Counsel

27 JF:s/110513/993FM/16.458 S:\Real Property\TYPING\Docs-16.000 to 16.499\16.458.doc



**First American Title Insurance Company
National Commercial Services**

**3281 E Guasti Road, Suite 440
Ontario, CA 91761**

January 06, 2012

Jeff Ruscigno
Lee & Associates
3240 Mission Inn Avenue
Riverside, CA 92507
Phone: (951)276-3600
Fax: (951)276-3650

Customer Reference: Vacant Land

Title Officer:	David Hughes	Title Assistant:	Shauna Smith
Phone:	(909)510-6207	Phone:	(909)510-6215

Order Number: NCS-516050-ONT1

Property: Adjacent to 282-100-019, Corona, CA

Attached please find the following item(s):

Commitment

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

Customer First!

First American Title Insurance Company

First American Title INFORMATION

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

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

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

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

This information is not part of the title insurance commitment.

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

COMMITMENT FOR TITLE INSURANCE

Issued by

First American Title

Agreement to Issue Policy

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

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

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

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-1.

The Exceptions in Schedule B-2.

The Conditions.

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

SCHEDULE A

1. Commitment Date: December 29, 2011 at 7:30 A.M.
2. Policy or Policies to be issued: Amount

(A) ALTA Owner's Policy \$TBD
ALTA Standard Owner Policy - 2006

Proposed Insured:

To be determined

(B) ALTA Loan Policy \$TBD
ALTA Standard Loan Policy - 2006

Proposed Insured:

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

Fee Simple

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

County of Riverside
4. The land referred to in this Commitment is situated in an unincorporated area of the County of Riverside, State of California, and is described as follows:

A PORTION OF LOT 10 IN FRACTIONAL SECTION 21, TOWNSHIP 4 SOUTH, RANGE 6 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY UNITED STATES GOVERNMENT SURVEY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF SEGMENTS 4 AND 5 SHOWN ON STATE HIGHWAY MAP BOOK 4, PAGES 83 THROUGH 91, FILED IN THE OFFICE OF SAID COUNTY RECORDER, MORE PARTICULARLY SHOWN ON PAGE 89, BOUNDED ON THE NORTHWEST BY THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF WEIRICK ROAD, BEING A CURVE CONCAVE SOUTHEASTERLY WITH A RADIUS OF 541.00 FEET, ALSO KNOWN AS THE SOUTHEASTERLY LINE OF LOT "C" OF PARCEL MAP NO. 30240, FILED IN BOOK 208, PAGES 26 THROUGH 45 OF PARCEL MAPS, FILED IN THE OFFICE OF SAID COUNTY RECORDER, AND BOUNDED ON THE SOUTH BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF KNABE ROAD, BEING A CURVE CONCAVE SOUTHWESTERLY WITH A RADIUS OF 1109.00 FEET, ALSO KNOWN AS THE NORTHEASTERLY LINE OF LOT "B" OF SAID PARCEL MAP NO. 30240.

NOTE: THE ABOVE LEGAL DESCRIPTION IS FOR THE SOLE PURPOSE OF THIS REPORT AND MAY NOT BE CONSIDERED FOR USE IN ANY POLICY ISSUED BY THIS COMPANY, AND IS SUBJECT TO CHANGE AT ANY TIME.

APN: ADJACENT TO 282-100-019-7

SCHEDULE B

SECTION ONE REQUIREMENTS

The following requirements must be met:

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

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

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

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

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

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

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

- ☐ (M) Based upon the Company's review of that certain partnership/operating agreement dated for the proposed insured herein, the following requirements must be met:

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

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

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

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

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

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

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

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

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

SCHEDULE B

SECTION TWO

EXCEPTIONS

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

1. General and special taxes and assessments for the fiscal year 2012-2013, a lien not yet due or payable.
2. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
3. Water rights, claims or title to water, whether or not shown by the public records.
4. Rights of the public in and to that portion of the land lying within roads, streets or highways.
5. An easement for public utilities and incidental purposes, recorded May 26, 1961 as Instrument No. 45188 of Official Records.
In Favor of: California Electric Power Company
Affects: As described therein
6. The effect of a map purporting to show the land and other property, filed January 20, 1964 in Book 44, Page 70 of Record of Surveys.
7. An easement shown or dedicated on the map filed or recorded April 28, 1966 as Book 4, Pages 83 through 91 of State Highway Maps
For: Temescal Frontage Road and incidental purposes.
8. Abutter's rights of ingress and egress to or from the adjacent and adjoining freeway, except at such points as now are or may be established by resolution of this Commission have been relinquished in the document recorded October 4, 1966 as Instrument No. 98305 of Official Records.
9. The effect of a document entitled "Resolution No. 90-375 Termination of Maintenance of Corona-Elsinore Road", recorded October 26, 1990 as Instrument No. 393629 of Official Records.

Said road is not locatable.
10. Rights of parties in possession.

INFORMATIONAL NOTES

1. The property covered by this report is vacant land
2. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:

None
3. This preliminary report/commitment was prepared based upon an application for a policy of title insurance that identified land by street address or assessor's parcel number only. It is the responsibility of the applicant to determine whether the land referred to herein is in fact the land that is to be described in the policy or policies to be issued.

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

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

CONDITIONS

1. DEFINITIONS

- (a) "Mortgage" means mortgage, deed of trust or other security instrument.
(b) "Public Records" means title records that give constructive notice of matters affecting the title according to the state law where the land is located.

2. LATER DEFECTS

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

3. EXISTING DEFECTS

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

4. LIMITATION OF OUR LIABILITY

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

comply with the Requirements shown in Schedule B - Section One

or

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

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

5. CLAIMS MUST BE BASED ON THIS COMMITMENT

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



First American Title

Privacy Information

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information, particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

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

Types of Information

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

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

Use of Information

We 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 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 a reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

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

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

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

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

EXCEPTIONS FROM COVERAGE

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

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

EXCLUSIONS FROM COVERAGE

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

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

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

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

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

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

SCHEDULE B

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

Part One

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

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

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

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

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

SCHEDULE B

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

Part One

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

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

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

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy;
(b) Any governmental police power: not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant, (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy); or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable "doing business" laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
 - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recodation to impart notice to a purchaser for value or a judgment or lien creditor.

3. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH REGIONAL EXCEPTIONS

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

SCHEDULE B

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

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

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

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

1.
 - (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
 - (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or

- (e) resulting in loss or damage which would not have been sustained if the Insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
- (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

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

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

SCHEDULE B

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

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

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

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

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 - * land use
 - * improvements on the land
 - * land division
 - * environmental protectionThis exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
 - * a notice of exercising the right appears in the public records on the Policy Date
 - * the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking.
3. Title Risks:
 - * that are created, allowed, or agreed to by you
 - * that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
 - * that result in no loss to you
 - * that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
 - * to any land outside the area specifically described and referred to in Item 3 of Schedule A, or
 - * in streets, alleys, or waterways that touch your landThis exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

11. EAGLE PROTECTION OWNER'S POLICY

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 1998
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 1998**

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

EXCLUSIONS

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

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

This exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.
This exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without knowing of the taking.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records,
 - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This exclusion does not limit the coverage described in Covered Risk 11 or 18.

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

EXCLUSIONS FROM COVERAGE

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

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

13. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 2006

EXCLUSIONS FROM COVERAGE

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

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

- or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
- (a) created, suffered, assumed, or agreed to by the Insured Claimant;
- (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
- (c) resulting in no loss or damage to the Insured Claimant;
- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
- (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
- (a) a fraudulent conveyance or fraudulent transfer, or
- (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

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

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

SCHEDULE B

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

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

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

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

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

- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risks 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors rights laws, that the transaction vesting the Title as shown in Schedule A, is:
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

16. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 2006

WITH REGIONAL EXCEPTIONS

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

SCHEDULE B

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

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

EXHIBIT B

Recorded at request of and return to:
Steve Kienle
3213 Adams Street
Riverside, California 92504

FREE RECORDING
This instrument is for the benefit of
County of Riverside, and is
entitled to be recorded without fee.
(Govt. Code 6103)

Space above this line reserved for Recorder's Use

QUITCLAIM DEED

For good and valuable consideration, the receipt and adequacy of which are acknowledged,

COUNTY OF RIVERSIDE, a political subdivision of the State of California,

does hereby remise, release and forever quitclaim to KIENTLE7979, LLC, a California limited liability company, all right, title, and interest Grantor has in the real property located in Riverside County, California, described in Exhibit "A" and shown on Exhibit "B" and incorporated by reference.

GRANTEE agrees that there shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the subsequent sales, leases, subleases, transfers, uses, occupancy, tenure, or enjoyment of the Property. GRANTEE, or any person claiming under or through GRANTEE, shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or, occupancy of tenants, lessees, subtenants, sublessees, or vendees in the real property.

Dated: _____

GRANTOR:

By: _____

Its: _____

STATE OF CALIFORNIA

)

)ss

COUNTY OF _____

)

On _____, before me, _____, a Notary Public
in and for said County and State, personally appeared

_____, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal:

Signature _____

[SEAL]

EXHIBIT "A"
LEGAL DESCRIPTION

A portion of Segments 4 and 5, per State Highway Relinquishment Map, as filed in Book 4, Page 89 of Caltrans Relinquishment Maps (CTRM) in the office of the Riverside County Surveyor and being within Government Lot 10, Section 21, Township 4 South, Range 6 West. San Bernardino Base Meridian, County of Riverside, State of California, more particularly described as follows:

COMMENCING at the intersection of the Southeasterly 59.00 foot half width right of way line of Weirick Road per Parcel Map 30240, as filed in Book 208, Pages 26 through 45, inclusive, of Parcel Maps, and the Northeasterly line of Parcel 1 per said Map, said Northeasterly line also being the Southwesterly line of Segment 4 per said Caltrans Relinquishment Map;

THENCE along said Northeasterly line, South $16^{\circ}39'30''$ East, a distance of 10.17 feet;

THENCE continuing along said Northeasterly line, South $38^{\circ}45'50''$ East, a distance of 2.65 feet to the beginning of a non-tangent 529.00 foot radius curve concave Southeasterly, a radial line bears North $41^{\circ}46'39''$ West, said point being on the Southwesterly line of Parcel E as described in Instrument No. 06-0209366 recorded March 24, 2006, Official Records of said county, said point also being the **TRUE POINT OF BEGINNING**;

THENCE Northeasterly along the arc of said curve through a central angle of $17^{\circ}10'38''$, a distance of 158.59 feet to the Southwesterly line of State of California acquisition Parcel 12812-A as shown on Caltrans Map 989573, as filed in Book 204, Page 408 and 409 of Caltrans maps in the office of said Riverside County Surveyor;

THENCE South $34^{\circ}08'58''$ East, a distance of 677.68 feet along said Southwesterly line and the Southwesterly line of State of California acquisition Parcel 12803 per said Caltrans Map to a point of cusp with a non-tangent 1109.00 foot radius curve concave Southwesterly, a radial line bears North $46^{\circ}54'44''$ East;

THENCE Northwesterly along the arc of said curve through a central angle of $25^{\circ}32'49''$, a distance of 86.48 feet to the beginning of a non-tangent compound 810.00 foot radius curve concave Southwesterly, a radial line bears North $48^{\circ}59'02''$ East;

THENCE Northwesterly along the arc of said non-tangent compound curve through a central angle of $25^{\circ}32'49''$, a distance of 361.16 feet to the Southwesterly line of said Segment 4, said line also being the Northeasterly line of said Parcel 1;

EXHIBIT "A"
LEGAL DESCRIPTION

THENCE along said line, non-tangent from said curve, North 38°45'50" West, a distance of 259.01 feet to the **TRUE POINT OF BEGINNING**.

Containing 60331 square feet, 1.385 acres, more or less.

EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

This description was prepared by me or under by direction.



William Rohal L.S. 8805
Exp. Date 12/31/2014

11-6-2013

Date



EXHIBIT "B"

SHEET 1 OF 1



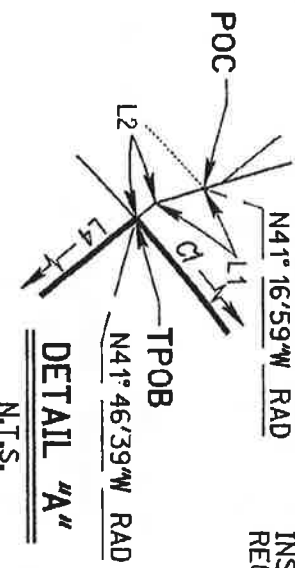
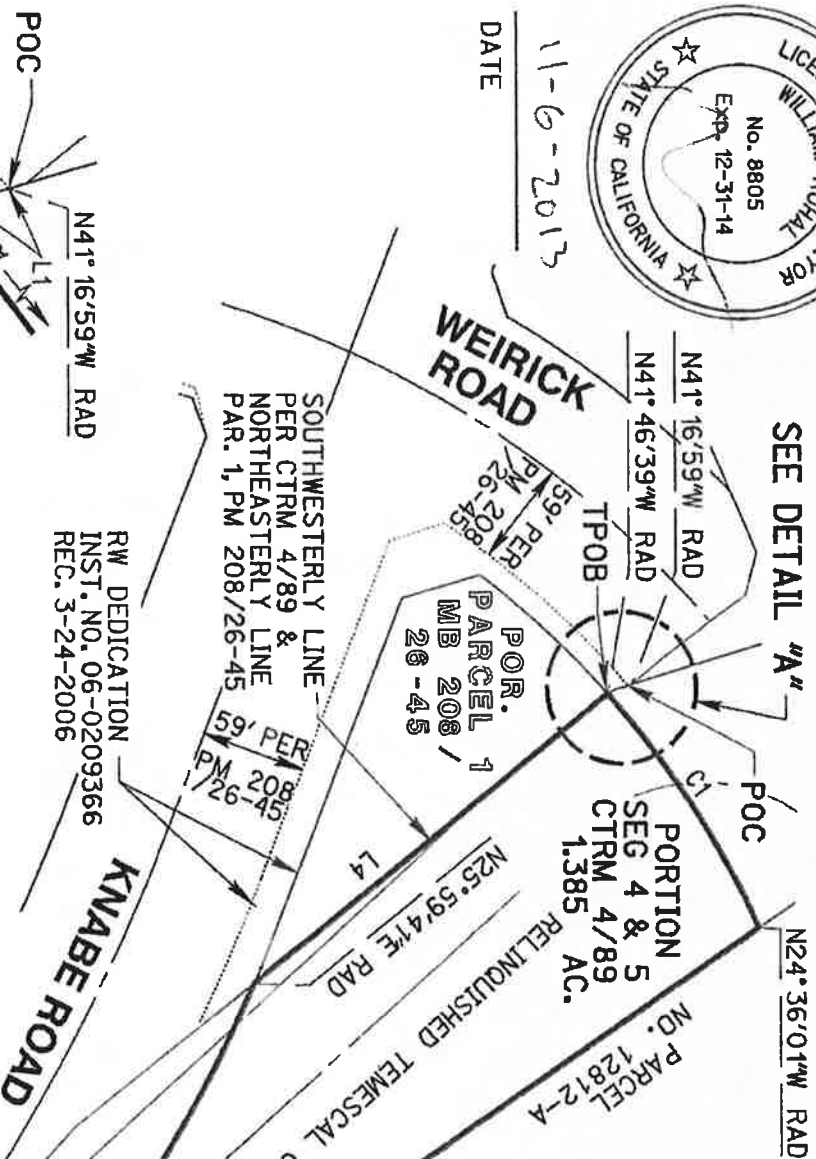
DATE 11-6-2013

SEE DETAIL "A"

NAME	LINE DIRECTION	LENGTH
L1	S 16°39'30" E	10.17'
L2	S 38°45'50" E	2.65'
L3	S 34°08'58" E	677.68'
L4	N 38°45'50" W	259.01'

NAME	CURVE DELTA	RADIUS	ARC
C1	17°10'38"	529.00	158.59'
C2	4°28'05"	1109.00	86.48'
C3	25°32'49"	810.00	361.16'

PORTION GOV'T LOT 10 SECTION 21 T. 4 S. R. 6 W. SBM



DETAIL "A"

N.T.S.

RICK
ENGINEERING COMPANY
Riverside

1770 IOWA AVENUE - SUITE 100
RIVERSIDE, CA 92507
951.782.0707
(FAX) 951.782.0723

rickengineering.com



SCALE: 1" = 100'

POC
N41°16'59" W RAD
TPOB
N41°46'39" W RAD
N.T.S.
RW DEDICATION
INST. NO. 06-0209366
REC. 3-24-2006
KNABE ROAD
SOUTHWESTERLY LINE -
PER CTRM 4/89 &
NORTHEASTERLY LINE
PAR. 1, PM 208/26-45
59' PER 26-45'
PM 208
L4
N25°59'47"E RAD
PORTION SEG 4 & 5
CTRM 4/89
1.385 AC.
PARCEL NO. 12812-4
POC
N24°36'01" W RAD
L1
L2
L3
L4
NAME
DELTA
CURVE RADIUS
ARC
C1
C2
C3
17°10'38"
4°28'05"
25°32'49"
529.00
1109.00
810.00
158.59'
86.48'
361.16'
PORTION GOV'T
LOT 10
SECTION 21
T. 4 S. R. 6 W. SBM
NORTHEASTERLY LINE
PER CTRM 4/89
& SOUTHWESTERLY
LINE PARCEL 12803
CALTRANS MAP
204/408-409
RIGHT OF
WAY PER
CALTRANS
RW MAP
4/89
N48°59'02"E PCC
RAD R=810.00'
N42°26'59"E
RAD R=1109.00' C2
N46°54'44"E RAD