



First American Title™

First American Title Company

377 First Street
Solvang, CA 93463

California Department of Insurance License No. 2549-4

Escrow Officer:	Lucy Padilla
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Title Officer:	Bridget Foss
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E-Mail Loan Documents to:	Lenders please contact the Escrow Officer for email address for sending loan documents.
Owner:	Wagner Family Trust and Sterpa Trust
Property:	7631 E. Highway 246 Lompoc, CA 93436

PRELIMINARY REPORT

In response to the above referenced application for a policy of title insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A attached. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.* Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

Please be advised that any provision contained in this document, or in a document that is attached, linked or referenced in this document, that under applicable law illegally discriminates against a class of individuals based upon personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or any other legally protected class, is illegal and unenforceable by law.

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

Dated as of November 01, 2023 at 7:30 A.M.

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

To Be Determined

A specific request should be made if another form or additional coverage is desired.

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

John Wagner, as Trustee of The Wagner Family Trust of February 6, 2002, as to an undivided 50% interest and Sebastiano Sterpa and Carole S Sterpa, as Co-Trustees of The Sebastiano and Carole Sterpa Trust, a Trust Created May 22, 1990, as Amended and Restated Dec. 21, 2016, as to an undivided 50% interest

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

FEE

The Land referred to herein is described as follows:

(See attached Legal Description)

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

1. General and special taxes and assessments for the fiscal year 2023-2024.

First Installment:	\$41,860.39, OPEN
Penalty:	\$0.00
Second Installment:	\$41,860.39, OPEN
Penalty:	\$0.00
Tax Rate Area:	72-003
A. P. No.:	099-220-021

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. An easement for The Right of Construct and Use of a 20 foot road and incidental purposes, recorded in [Book 140 of Deeds, Page 312](#).
In Favor of: Charles A. Lewis, Et. Al.
Affects: as described therein

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

4. An easement for Explore, Mine and Drill for Coal, Lignite, Petroleum and all other Hydrocarbon and Like Substances and incidental purposes, recorded November 28, 1919 in [Book 177 of Deeds, Page 233](#).
In Favor of: Leon Lehmann
Affects: as described therein

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

5. An easement for Road Purposes and incidental purposes, recorded November 24, 1943 as Instrument No. [10491](#) in Book 594, Page 119 of Official Records.
In Favor of: State of California
Affects: as described therein

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

6. A waiver of any claims for damages by reason of the location, construction, landscaping or maintenance of a contiguous freeway, highway or roadway, as contained in the document recorded November 24, 1943 as Instrument No. [10491](#) in Book 594, Page 119 of Official Records.
7. An easement for Public Highway and incidental purposes, recorded April 11, 1944 as Instrument No. [3566](#) in Book 607, Page 262 of Official Records.
In Favor of: State of California
Affects: as described therein

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

8. An easement for Pole Lines and incidental purposes, recorded June 21, 1955 as Instrument No. [10931](#) in Book 1320, Page 579 of Official Records.
In Favor of: Pacific Gas and Electric Company, a corporation
Affects: as described therein

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

9. An easement for Prospecting, Mining, Storing and Removing Oil, Gas, Minerals and Hydrocarbon Substances Together with Rights of Ingress and Egress and incidental purposes, recorded June 18, 1957 as Instrument No. [11795](#) in Book 1453, Page 581 of Official Records.
In Favor of: Eugene F. Filippini, a single Man and W. John Thiessen, a single Man, each as to an undivided 1/2 interest
Affects: as described therein

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

10. Abutter's rights of ingress and egress to or from State Highway have been relinquished in the document recorded October 27, 1967 as Instrument No. [31412](#) in Book 2209, Page 1005 of Official Records.

11. A waiver of any claims for damages by reason of the location, construction, landscaping or maintenance of a contiguous freeway, highway or roadway, as contained in the document recorded October 27, 1967 as Instrument No. [31412](#) in Book 2209, Page 1005 of Official Records.
12. An easement for Drainage and incidental purposes, recorded October 27, 1967 as Instrument No. [31412](#) in Book 2209, Page 1005 of Official Records.
In Favor of: State of California
Affects: as described therein

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

13. An easement for Ingress and Egress and incidental purposes, recorded October 08, 1968 as Instrument No. [31289](#) in Book 2247, Page 1264 of Official Records.
In Favor of: State of California
Affects: as described therein

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

14. Terms, provisions, covenants, restrictions and conditions contained in a document executed pursuant to the California Land Conservation Act of 1965 (Williamson Act) and recorded February 27, 1970 as Instrument No. [5388](#) in Book 2301, Page 944 of Official Records.

A Notification of Assumption of Land Conservation Contract, recorded March 23, 1979 as Instrument No. [1979-12863](#) of official records

The effect of a document entitled "A Notice of Nonrenewal of Land Conservation Contract", recorded December 16, 2005 as Instrument No. [2005-120822](#) of Official Records.

15. Terms, provisions, covenants, restrictions and conditions contained in a document executed pursuant to the California Land Conservation Act of 1965 (Williamson Act) and recorded April 17, 1972 as Instrument No. [13520](#) in Book 2395, Page 856 of Official Records.

The terms and provisions contained in the document entitled "A Notification of Assumption of Land Conservation Contract" recorded March 23, 1979 as Instrument No. [1979-12863](#) of Official Records.

The effect of a document entitled "A Notice of Nonrenewal of Land Conservation Contract", recorded December 16, 2005 as Instrument No. [2005-120822](#) of Official Records.

16. An easement for Ingress and Egress and incidental purposes, recorded January 26, 1973 as Instrument No. [3236](#) in Book 2444, Page 433 of official records.

In Favor of: State of California
Affects: as described therein

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

17. An easement for Construct, Install, Inspect, Maintain, Replace, Remove, and use facilities of The Type Hereinafter Specified, together with a Right of Way thereof and incidental purposes, recorded October 23, 1980 as Instrument No. [1980-43307](#) of Official Records.
In Favor of: Pacific Gas and Electric Company, a California Corporation
Affects: as described therein

18. An easement for Ingress to and Egress for Operation, Maintenance, Alteration, Replacement, and Repair Purposes and incidental purposes, recorded February 28, 1996 as Instrument No. [1996-012224](#) of Official Records.
In Favor of: Central Coast Water Authority, a Joint Powers Agency
Affects: as described therein

19. An easement for An Exclusive Easement in Gross to Survey, Install, Construct and Reconstruct, And Lay The Agency Facilities described and incidental purposes, recorded February 28, 1996 as Instrument No. [1996-012224](#) of Official Records.
In Favor of: Central Coast Water Authority, a Joint Powers Agency
Affects: as described therein

20. An easement for Ingress and Egress Over, on, Across and through The Real Property and incidental purposes, recorded October 14, 1999 as Instrument No. [1999-0083831](#) of Official Records.
In Favor of: Thomas M. Miele and Dianne H. Miele, husband and wife
Affects: as described therein

21. An unrecorded lease dated September 21, 1999, executed by Sebastiano Sterpa as lessor and Pacific Bell Wireless, LLC, a Nevada Limited Liability Company D/b/a Pacific Bell Wireless as lessee, as disclosed by a Memorandum of Lease recorded March 20, 2000 as Instrument No. [2000-0015925](#) of Official Records.

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

22. An easement for Planting, Maintaining, Removing and Irrigating Landscaping, to Wit: Trees, Bushes, Groundcover Plants And Any Other Landscaping, Right of Access, Ingress And Egress Over The Property To Plant, Maintain, Remove And Irrigate Landscaping On The Easement Area and incidental purposes, recorded October 16, 2001 as Instrument No. [2001-0088782](#) of Official Records.
In Favor of: Cingular Wireless LLC, a Delaware Limited Liability Company on
Behalf of Pacific Bell Wireless, LLC, a Nevada Limited Liability
Company, D/b/a Cingular Wireless
Affects: as described therein

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

23. The terms and provisions contained in the document entitled "Agreement to Comply with Conditions of Approval" recorded November 02, 2005 as Instrument No. [2005-0106642](#) of Official Records.

24. An unrecorded lease dated August 15, 2005, executed by Sebastiano Sterpa as lessor and Santa Barbara Cellular Systems, Ltd., A Georgia Limited Partnership as lessee, as disclosed by a Memorandum of Lease recorded May 31, 2006 as Instrument No. [0043564](#) of Official Records.

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

25. The terms and provisions contained in the document entitled "Agreement to Comply with Conditions of Approval" recorded September 22, 2009 as Instrument No. [2009-57950](#) of Official Records.

26. The terms and provisions contained in the document entitled "Memorandum of Encroachment Permit" recorded August 05, 2010 as Instrument No. [2010-41916](#) of Official Records.

27. The terms, provisions and easement(s) contained in the document entitled "Easement Agreement" recorded June 21, 2021 as Instrument No. [2021-46096](#) of Official Records.

Document(s) declaring modifications thereof recorded June 29, 2023 as Instrument No. [2023-0018872](#) of Official Records.

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

28. We find no outstanding voluntary liens of record affecting subject property. An inquiry should be made concerning the existence of any unrecorded lien or other indebtedness which could give rise to any security interest in the subject property.

29. Rights of the public in and to that portion of the Land lying within any road, street and/or highway.

30. Any claim that the Title is subject to a trust or lien created under The Perishable Agricultural Commodities Act, 1930 (7 U.S.C. §§499a, et seq.) or the Packers and Stockyards Act (7 U.S.C. §§181 et seq.) or under similar state laws.

Consideration for the deletion of this exception is highly fact intensive. Please contact the underwriter assigned to your file as soon as possible to discuss.

31. Water rights, claims or title to water, whether or not shown by the Public Records.

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

33. An ALTA/NSPS survey of recent date which complies with the current minimum standard detail requirements for ALTA/NSPS land title surveys.

34. Rights of parties in possession.

INFORMATIONAL NOTES

Note: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

1. According to the latest available equalized assessment roll in the office of the county tax assessor, there is located on the land a(n) Commercial Structure known as 7631 East Highway 246, Lompoc, California.

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

None

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

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

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of Santa Barbara, State of California, described as follows:

PARCEL 1:

LOT 9 OF RANCHO SANTA ROSA, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED JULY 9, 1913 IN [BOOK 2, PAGES 37 AND 38](#) OF MAPS AND SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN THE LAND CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED OCTOBER 27, 1967 AS INSTRUMENT NO. [31412](#) IN BOOK 2209, PAGE 1005 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN THE LAND CONVEYED TO CENTRAL COAST WATER AUTHORITY BY FINAL ORDER OF CONDEMNATION RECORDED FEBRUARY 28, 1996 AS INSTRUMENT NO. [96-012224](#) OF OFFICIAL RECORDS.

THIS LEGAL DESCRIPTION IS MADE PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED NOVEMBER 29, 2007, AS INSTRUMENT NO. [07-81864](#) OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 1/2 OF ALL OIL, GAS, HYDROCARBONS AND MINERALS IN AND UNDER THE LAND ABOVE DESCRIBED. SAID UNDIVIDED ONE HALF INTEREST APPLIES TO 100% OF THE OIL, GAS, HYDROCARBONS AND MINERALS PRODUCED AND NOT TO THE LANDOWNERS' ROYALTY OR PROCEEDS ONLY.

PARCEL 2:

THAT PORTION OF THE SANTA ROSA RANCHO, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON PIPE SET AT THE SOUTHWEST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN THE DEED TO CHARLES A. LEWIS, ET AL., RECORDED NOVEMBER 21, 1910 IN [BOOK 130, PAGE 100](#) OF DEEDS, RECORDS OF SAID COUNTY, FROM WHICH A SPIKE IN A SYCAMORE TREE MARKED B.T.F.F.F. BEARS SOUTH 2° WEST 24.99 FEET, A SPIKE IN A WHITE OAK MARKED B.T.F.F.F. BEARS NORTH 48° WEST 77.35 FEET, AND RUNNING THENCE SOUTH 76°48'40" EAST 1580 FEET TO A 3/4 INCH IRON PIPE; THENCE, NORTH 15°34' WEST 2143.5 FEET TO A 3/4 INCH IRON PIPE; THENCE, NORTH 13°29' WEST 8353.8 FEET TO A 3/4 INCH IRON PIPE; THENCE, SOUTH 84°12'40" WEST 1062.2 FEET TO AN IRON PIPE WITH A STAKE ALONG SIDE MARKED NORTHWEST CORNER FFF; THENCE, SOUTH 13°46'20" EAST 8531.7 FEET TO AN IRON PIPE WITH A STAKE ALONG SIDE, FROM WHICH A SPIKE IN A WHITE OAK TREE MARKED BTFFF BEARS SOUTH 60-3/4° WEST 96.7 FEET; A SPIKE IN ANOTHER WHITE OAK MARKED BTFFF BEARS NORTH 71-1/2° WEST 41.75 FEET; THENCE, SOUTH 13°22'20" EAST 622 FEET TO AN IRON PIPE AND STAKE; THENCE SOUTH 9°11'20" WEST 840 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN AND SOUTHERLY OF THE LAND CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED OCTOBER 27, 1967 AS INSTRUMENT NO. [31412](#) IN BOOK 2209, PAGE 1005 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, PETROLEUM, AND OTHER HYDROCARBON SUBSTANCES IN AND UPON PARCEL 2 HEREIN.

THIS LEGAL DESCRIPTION IS MADE PURSUANT TO THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED MARCH 8, 1993 AS INSTRUMENT NO. [93-17523](#) OF OFFICIAL RECORDS.

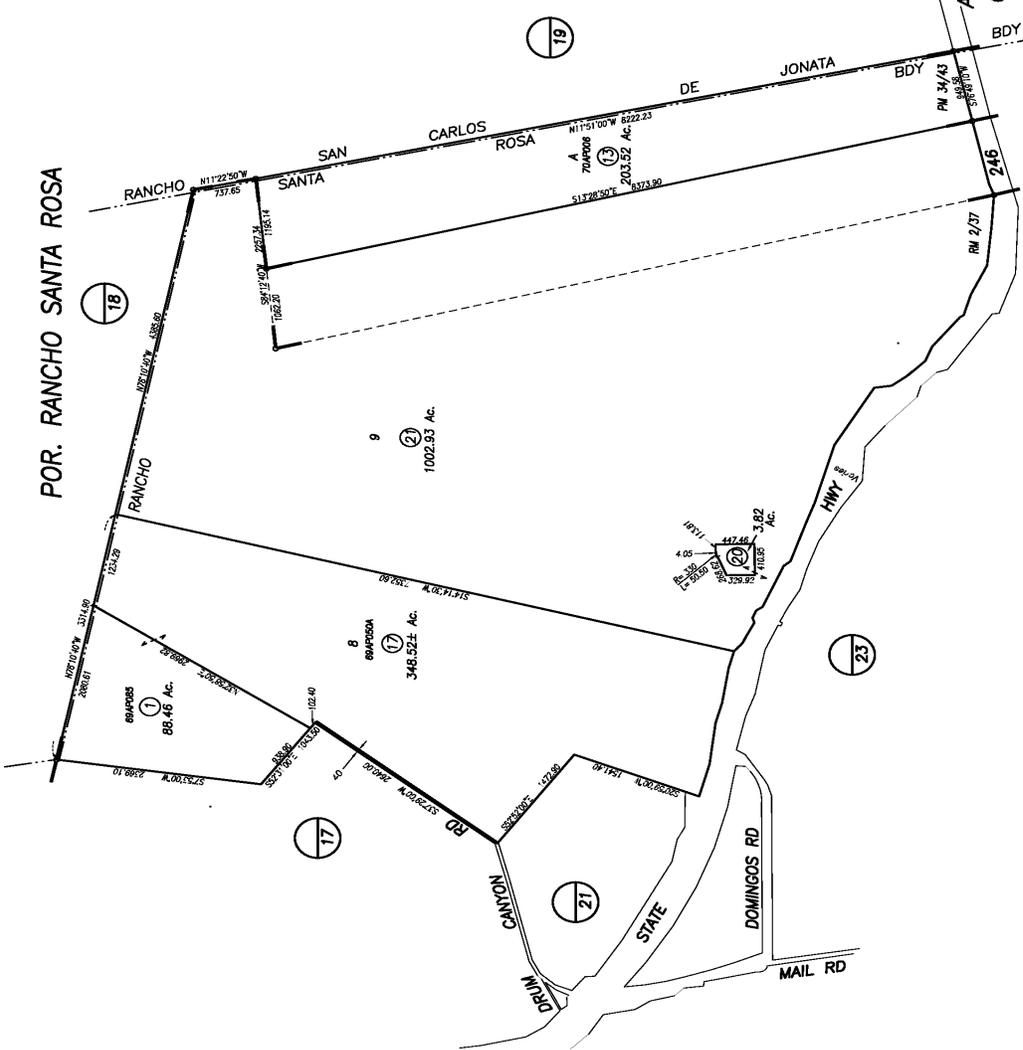
[APN: 099-220-021](#)

099-22



1" = 1200'
SCALE ±

NOTICE
Assessor's Parcels are for tax assessment purposes only and do not indicate either parcel legality or a valid building site.



Assessor's Map Bk, 099-Pg, 22
County of Santa Barbara, Calif.

07/18 1: update Ag Parcels #

07/09/1913 R.M. Bk. 2 , Pg. 37-38 , Tract Por. "Rancho Santa Rosa & Adjoining Lands"

NOTICE

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

EXHIBIT A
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (BY POLICY TYPE)
CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE [(07-01-2021) v. 01.00]
EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy and We 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) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
- b. any governmental forfeiture, police, or regulatory, or national security power.
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
Exclusion 1 does not modify or limit the coverage provided under Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23, or 27.
2. Any power to take the Land by condemnation. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 17.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by You;
 - b. not Known to Us, not recorded in the Public Records at the Date of Policy, but Known to You and not disclosed in writing to Us by You prior to the date You became an Insured under this policy;
 - c. resulting in no loss or damage to You;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 5, 8.f., 25, 26, 27, 28, or 32); or
 - e. resulting in loss or damage that would not have been sustained if You paid consideration sufficient to qualify You as a bona fide purchaser of the Title at the Date of Policy.
4. Lack of a right:
 - a. to any land outside the area specifically described and referred to in Item 3 of Schedule A; and
 - b. in any street, road, avenue, alley, lane, right-of-way, body of water, or waterway that abut the Land.
Exclusion 4 does not modify or limit the coverage provided under Covered Risk 11 or 21.
5. The failure of Your existing structures, or any portion of Your existing structures, to have been constructed before, on, or after the Date of Policy in accordance with applicable building codes. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 14 or 15.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transfer of the Title to You is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 30.
7. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
8. Negligence by a person or an entity exercising a right to extract or develop oil, gas, minerals, groundwater, or any other subsurface substance.
9. Any lien on Your Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 9 does not modify or limit the coverage provided under Covered Risk 8.a. or 27.
10. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

LIMITATIONS ON COVERED RISKS

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

For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

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

ALTA OWNER'S POLICY [(07-01-2021) V. 01.00]
CLTA STANDARD COVERAGE OWNER'S POLICY [(02-04-22) V. 01.00]
EXCLUSIONS FROM COVERAGE

The following matters are 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) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
 - b. any governmental forfeiture, police, regulatory, or national security power.
 - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
- Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
 3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the 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 the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
 - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 9.b.
 5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
 6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
 7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

NOTE: The 2021 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7. The 2021 CLTA Standard Coverage Owner's Policy will include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7.

EXCEPTIONS FROM COVERAGE

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.

This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:

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

uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

2006 ALTA OWNER'S POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

NOTE: The 2006 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7.

EXCEPTIONS FROM COVERAGE

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

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

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.