





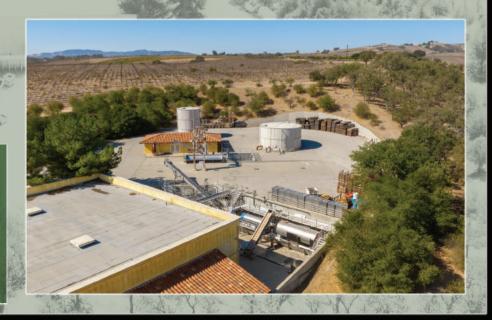


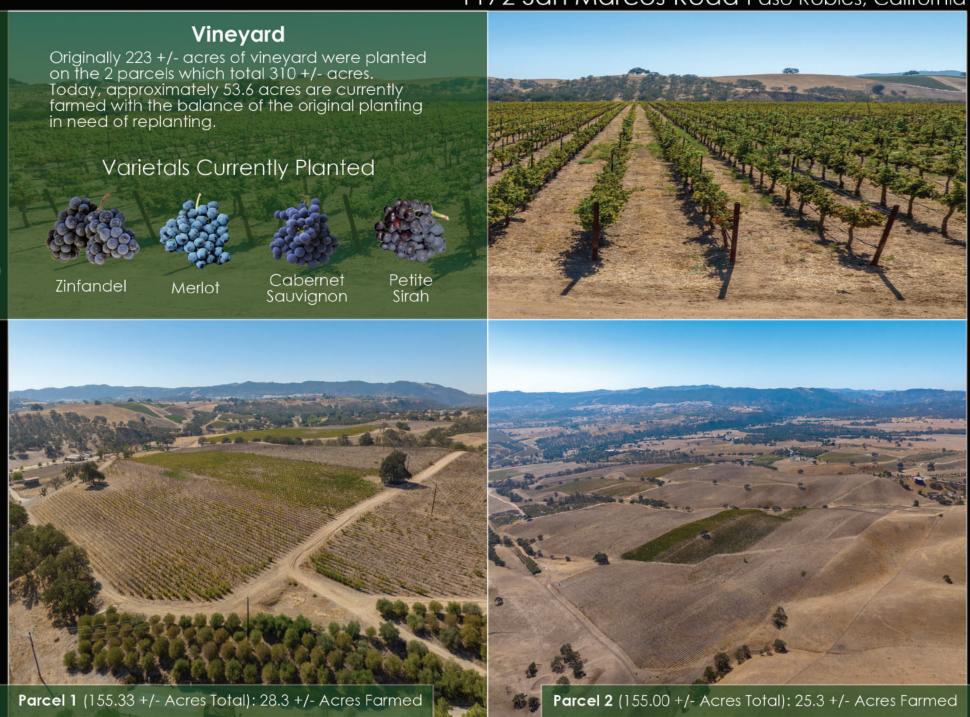
Winery Facility

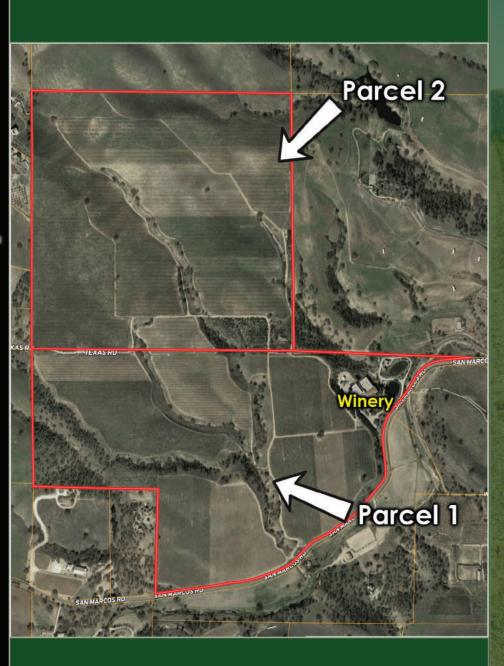
The Winery is built into a hillside and set up for gravity flow from receipt of fruit to fermentation to in-house bottling line. Built as a homage to Tuscany, the entire facility manages to encompass form and function in a most spectacular manner. All the personal property such as stainless, presses and bottling line are included in the Offering. The approximate 43,000 sf facility is permitted for 400,000 case production.

Winery Facility

- ◆43,000 +/- sf
- **◆**Tank Room
- **Crush Pad**
- **Corridor 2nd Floor Offices**
- Warehouse/Bottling
- ◆Tower Building 2nd Floor
- *Barrell Storage Building
- *2nd Floor Offices & Restrooms
- ◆R.O./Pump House Building
- •2 Wastewater Treatment Ponds
- ◆40' Truck Scale
- ◆60,000 Gallon Water Fire Suppression Tank
- ◆400,000 +/- Cases Per Year







Property Details

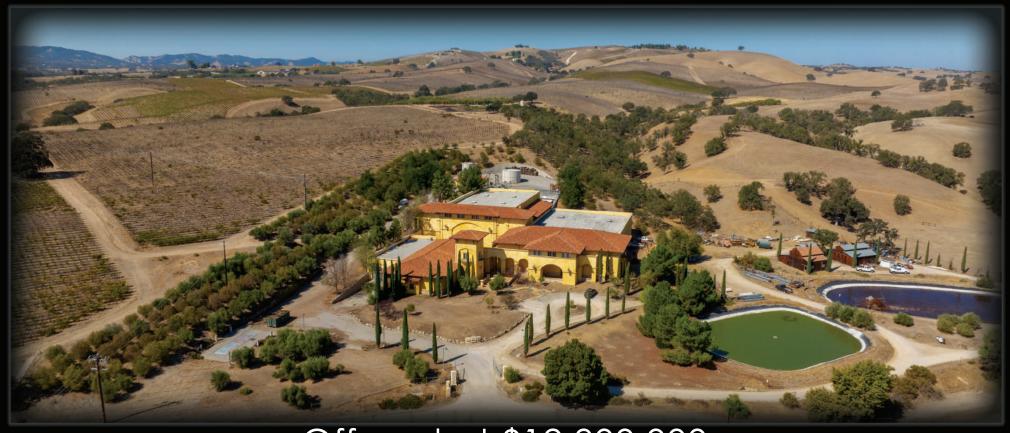
- ◆310 +/- Acres
- •2 Parcels
- ◆Paso Robles AVA

Parcel 1 (Winery Parcel): ◆APN 026-104-001

- ◆155.33 +/- Acres
- Winery Facility
- Vineyard:
 - ◆28.3 +/- Acres Farmed
 - ◆63.3 +/- Acres Replant Potential
- +2 Wells
- ◆2 +/- Acre Olive Orchard
- •2 Waterwaste Treatment Ponds

Parcel 2:

- ◆APN 027-145-022
- ◆155.00 +/- Acres
- Vineyard:
 - •25.3 +/- Acres Farmed
 - ◆93.7 +/- Acres Replant Potential
- ♦1 Well
- ◆5 +/- Acre Olive Orchard
- Williamson Act Contract (Parcel 2 ONLY



Offered at \$12,800,000

Supplements

Video

Website





Pete Dakin 805-591-5222 BRE# 00853846 Carolyn McNairn 805-674-2117 **Devon Pitts** 805-674-3771 BRE# 02040096

711 12th Street, Paso Robles, CA 93446 | 805.239.3310

More Information Online at: www.passoftheoaks.com

Each office independently owned and operated

THE WINERY AT 1172

Property Details

Price: \$12,800,000.00

310 +/- Acres

2 Parcels

Parcel 1 (Winery Facility on San Marcos Road)

APN: 026-104-001

155.33 +/- Acres

Zoning: Agriculture

Not in Williamson Act

Winery

- 43,210 +/- sf Winery Facility
- Built 2002
- Permitted to produce 400,000 cases of wine annually
- Extensive Climate-Controlled Barrel Storage Room/Warehouse/Bottling Building
- Commercial Grade Winemaking Equipment
- Fermentation Room
- 4,500 +/- sf Crush Pad
- Additional Office Space
- Loading Dock Truck Ramp 100'x20'
- Recessed Loading Door with Leveler
- 40' Truck Scale

Vineyard

- 28.38 +/- Acres Premium Wine Grapes Vineyards
- 63.3 +/- Acres Abandoned Vineyards
- 47.35 +/- Non-Plantable Acres

Grape Varietals

- Zinfandel/ Primitivo
- Vines spaced 1 meter x 2 meters, +/- 2,026 vines/acre
- VSP Trellis system

Subject property was obtained by the Seller through foreclosure. Most of the provided information comes from an appraisal done January 21, 2021. All information deemed reliable, but not guaranteed. Buyer agrees to verify all information prior to purchase. Neither Seller or Listing Agent has verified the validity of accuracy of any information provided by Seller or any of the source(s) and makes no claim(s) or warranty(s) with regards to any information provided past, present, or future.

THE WINERY AT 1172

Property Details

Soils

- Mostly Arbuckle & Nacimiento Soils
- Capability Class 4 & 7 series
- Well drained, suitable for production of excellent quality fruit

Water

- 2 Wells
- Pump/Well Pressure System
- 30,000-gallon Storage Tank
- Process Water Recycling System
- Paso Robles Groundwater Basin

Septic System

2 Wastewater Treatment Ponds

Electric

Propane

Fire Suppression System

60,000 Gallon Water Tank

Olive Orchard

2 +/- Acres

Farm Roads

• 7.3 +/- Acres

Gated Entrance

Fenced

Deer Fenced

Barn

Storage Shed



Property Details

Parcel 2 (contiguous with access off Texas Road)

APN: 027-145-022

155 +/- Acres

Zoning: Agriculture

Williamson Act

Vineyard

- 119 +/- Acres of Vineyard
- 25.3 +/- Acres Premium Wine Grapes Vineyards farmed
- 93.7 +/- Acres Abandoned Vineyards
- 21 +/- Non-Plantable Acres

Grape Varietals

- Zinfandel, Merlot, Cabernet Sauvignon, Petite Sirah
- Vines spaced 1 meter x 2 meters, +/- 2,026 vines/acre
- VSP Trellis system

Soils

- Primarily Linne Soils
- Capability Class 4 & 7 series
- Well drained, suitable for production of excellent quality fruit

Water

- 1 Well
- Pumping Station
- (2) 10,000 +/- Gallon Water Holding Tanks
- Paso Robles Ground Basin

Olive Orchard

5 +/- Acres

Farm Roads

9 +/- Acres

Subject property was obtained by the Seller through foreclosure. Most of the provided information comes from an appraisal done January 21, 2021. All information deemed reliable, but not guaranteed. Buyer agrees to verify all information prior to purchase. Neither Seller or Listing Agent has verified the validity of accuracy of any information provided by Seller or any of the source(s) and makes no claim(s) or warranty(s) with regards to any information provided past, present, or future.

1172 San Marcos Rd, Paso Robles

Personal Property - Inventory

| Item | Manufacturer/Model | Year | ID# |
|-----------------|---|------|---------------|
| Vat | Est. 900 gallon french oak foudre | N/A | N/A |
| Vat | Est. 900 gallon french oak foudre | N/A | N/A |
| Vat | Est. 600 gallon french oak foudre | N/A | N/A |
| Pump | Waukesha, 2085 centrifugal, 8.5" | N/A | N/A |
| Pump | Waukesha, 2085 centrifugal, 8.5" | N/A | N/A |
| Pump | Waukesha, 2085 centrifugal, 8.5" | N/A | N/A |
| Pump | Waukesha, 2085 centrifugal, 8.5" | N/A | N/A |
| Pump | Waukesha, 130 must, 6" | N/A | N/A |
| Pump | Waukesha, 130 displacement, 15hp | N/A | N/A |
| Pumps | Waukesha, 130 displacement, 10hp, estimated total of 35 | N/A | N/A |
| Ozone | Oxygen gas generator, portable | N/A | N/A |
| Reverse Osmosis | Culligan 4 stage, on skid, pump unit | N/A | N/A |
| Air Compressor | Gardner-Denver 200 psi w/Deltech 2000 air dryer | N/A | N/A |
| Receiving | Helo Pacific 7.5 ton crane, Crush pad hopper, est. 35' x 14" auger, 50' discharge auger, pumps, motors & controls | N/A | N/A |
| Press | Willmes 25 ton | N/A | 15361 |
| Press | Willmes 7.5 ton | 2002 | 40433 |
| Press | Willmes, 3 ton capacity | N/A | N/A |
| Fermenter | Velo 150 rotary | 1998 | 51240 |
| Fermenter | Velo 150 rotary | 1998 | 51241 |
| Fermenter | Velo 150 rotary | 1998 | 51242 |
| Elevator | Portable 20' cleated incline, stainless steel, receiving hopper | N/A | N/A |
| Filter | Velo Lees FECC1A 40x40 | 1994 | C418 |
| Filter | Velo TMF-3-A-02 cross flow | 2014 | 100 |
| Filter | Della Toffola, portable, expandable | N/A | 2570 |
| Filter | Della Toffola, portable, expandable | N/A | N/A |
| Filter | Non descript, portable, expandable | N/A | N/A |
| Destemmer | Delta E4 w/4' receiving hopper & auger | N/A | 1300 |
| Filler | GAI 6000A, fill & cork, infeed, controls, motors, sort table, | 2003 | 5000 & 114 |
| Cannor | Faccio cork hopper w/elevator | 2002 | 2000 |
| Capper | GAI 4612 DL, est. 50' single bottle conveyance, accumulation table | 2003 | 2000 |
| Labeler | Kosme 7209T52E2 | 2003 | 3709 |
| Sealer | 3M top case type, portable | 2008 | N/A |
| Racks | Est. 800 2-barrel, steel | N/A | N/A |
| Barrels | Est. 600 oak, est. 60 gallon | N/A | N/A |
| Tank | 1 ton, stainless steel, #56 | N/A | N/A |
| Tank | 5-550 gallon, stainless steel | N/A | N/A |
| Tank | 1-693 gallon, stainless steel, #37 | N/A | N/A |

| Tank | 1-1,339 gallon, stainless steel, #136 | N/A | N/A |
|-------|---|-----|-----|
| Tank | 1-1,501 gallon, stainless steel, #36 | N/A | N/A |
| Tank | 8-1,551 gallon, stainless steel, #38-45 | N/A | N/A |
| Tank | 1-1,693 gallon, stainless steel, #135 | N/A | N/A |
| Tank | 1-2,088 gallon, stainless steel, #134 | N/A | N/A |
| Tank | 2-2,055 gallon, stainless steel, #34 & 35 | N/A | N/A |
| Tank | 2-2,525 gallon, stainless steel, #101 & 102 | N/A | N/A |
| Tank | 4-2,924 gallon, stainless steel, #32, 33 & 133 | N/A | N/A |
| Tank | 1-3,001 gallon, stainless steel, #133(dup.) | N/A | N/A |
| Tank | 5-3,500 gallon, stainless steel, #109, 110, 115, 120, 123 | N/A | N/A |
| Tank | 6-3,774 gallon, stainless steel, #114, 122, 124, 125, 130, 131 | N/A | N/A |
| Tank | 4-3,807 gallon, stainless steel, #3-6 | N/A | N/A |
| Tank | 5-4,012 gallon, stainless steel, #103, 108, 121, 128, 129 | N/A | N/A |
| Tank | 9-4,559 gallon, stainless steel, #107, 104-106, 111-113, 116, 119 | N/A | N/A |
| Tank | 3-4,844 gallon, stainless steel, #7-9 | N/A | N/A |
| Tank | 5-5,310 gallon, stainless steel, #117, 118, 126, 127, 132 | N/A | N/A |
| Tank | 9-5,961 gallon, stainless steel, #12, 13, 14, 20-25 | N/A | N/A |
| Tank | 1-7,150 gallon, stainless steel, #2 | N/A | N/A |
| Tank | 1-7,190 gallon, stainless steel, #1 | N/A | N/A |
| Tank | 7-8,530 gallon, stainless steel, #10, 11, 15, 16, 17(damaged), 18, 19 | N/A | N/A |
| Tank | 6-8,531 gallon, stainless steel, #26-31 | N/A | N/A |
| Tank | 1-10,328 gallon, stainless steel, #57 | N/A | N/A |
| Tanks | Total Capacity: 393,087 gallons includes necessary piping, electric, pumps, motors & catwalks | N/A | N/A |



2022 Vineyard Harvest Results

(at San Marcos & Texas Road)

| Variety | Tons |
|--------------------|-------|
| Cabernet Sauvignon | 5.05 |
| Petite Sirah | 9.99 |
| Zinfandel | 22.37 |
| Total | 37.41 |

Aqua Engineering

Contractors License #896064

950 Mission Street P.O. Box 398 San Miguel, CA 93451 PH. 805-238-1315 FX. 805-467-9520

Well Test Collection Form

Date:

8/15/2022

Customer:

Farm Credit West

Address:

Collin Page 970-987-7377

Well by Winery

Job Location:

1172 San Marcos Road & Texas Road.

Time at start of test:

9:45AM

Hours in service:

4

Static level at start of test:

100'

Recovery Level:

122'

HP pf pump installed:

15

Results:

| Time | Pumping <u>Level</u> | <u>GPM</u> | Notes |
|------------------------|-------------------------|------------|-------|
| 9:45:00 AM | 100' | 60 | Clear |
| 10:00:00 AM | 125' | 55 | Clear |
| 10:15:00 AM | 150' | 55 | Clear |
| 10:30:00 AM | 174' | 45 | Clear |
| 10:45:00 AM | 174' | 45 | Clear |
| 11:00:00 AM | 174' | 45 | Clear |
| 11:15:00 AM | 174' | 45 | Clear |
| 11:30:00 AM | 174' | 40 | Clear |
| 11:45:00 AM | 174' | 40 | Clear |
| 12:00:00 PM | 174' | 40 | Clear |
| 12:15:00 PM | 174' | 40 | Clear |
| 12:30:00 PM | 174' | 40 | Clear |
| 12:45:00 PM | 174' | 40 | Clear |
| 1:00:00 PM | 174' | 40 | Clear |
| 1:15:00 PM | 174' | 40 | Clear |
| 1:30:00 PM | 174' | 40 | Clear |
| 1:45:00 PM Recovery | 174' | 40 | Clear |
| 3:30:00 PM | 122' | | |

Thank you for allowing Aqua Engineering the opportunity to test your water well. If you have any questions regarding your test, please don't hesitate to call.

This well test is guaranteed to be accurate as of the above testing date. The Contractor makes no warranties or guarantees as to water quantity or gallons per minute subsequent to the test date. Contractor makes no guarantees or warranties as to potability. The lab conducting the potability testing is solely & exclusively responsible for the results thereof.

Aqua Engineering

Contractors License #896064

950 Mission Street P.O. Box 398 San Miguel, CA 93451

PH. 805-238-1315 FX. 805-467-9520

Well Test Collection Form

Date: 8/15/2022

Customer: Farm Credit West

Address: Collin Page 970-987-7377

Well by On Texas Road

Job Location: 1172 San Marcos Road & Texas Road.

Time at start of test: 9:00:00 AM

Hours in service: 4

Static level at start of test:

Recovery Level:

HP pf pump installed: 30

Results:

| Time | Pumping <u>Level</u> | <u>GPM</u> | <u>Notes</u> |
|-------------|-------------------------|------------|--------------|
| 9:00:00 AM | | 150 | Clear |
| 9:15:00 AM | See note | 100 | Clear |
| 9:30:00 AM | attached | 100 | Clear |
| 9:45:00 AM | | 100 | Clear |
| 10:00:00 AM | | 100 | Clear |
| 10:15:00 AM | | 100 | Clear |
| 10:30:00 AM | | 100 | Clear |
| 10:45:00 AM | | 100 | Clear |
| 11:00:00 AM | | 100 | Clear |
| 11:15:00 AM | | 100 | Clear |
| 11:30:00 AM | | 100 | Clear |
| 11:45:00 AM | | 100 | Clear |
| 12:00:00 PM | | 100 | Clear |
| 12:15:00 PM | | 100 | Clear |
| 12:30:00 PM | | 100 | Clear |
| 12:45:00 PM | | 100 | Clear |
| 1:00:00 PM | | 100 | Clear |

Recovery

Thank you for allowing Aqua Engineering the opportunity to test your water well. If you have any questions regarding your test, please don't hesitate to call.

This well test is guaranteed to be accurate as of the above testing date. The Contractor makes no warranties or guarantees as to water quantity or gallons per minute subsequent to the test date. Contractor makes no guarantees or warranties as to potability. The lab conducting the potability testing is solely & exclusively responsible for the results thereof.

NOTE:

We were unable to measure water level. The airline to moniter the water level is not working. There is an obstruction at about 38' that prevents the sounder from going down the well to measure the water level. We don't think there is a problem. Just a large pump in a relatively small well.

Aqua Engineering

Contractors License #896064

950 Mission Street P.O. Box 398 San Miguel, CA 93451 PH. 805-238-1315 FX. 805-467-9520

Well Test Collection Form

Date:

9/2/2022

383'

Customer:

Farm Credit West

Address:

Collin Page 970-987-7377

Well by Concrete Tank

Job Location:

1172 San Marcos Road & Texas Road.

Time at start of test: 10:34

Hours in service:

Pump Set: 504' 4

178' Static level at start of test:

Recovery Level:

in 1 hour 206'

HP pf pump installed:

2:38:00 PM

10 Just installed new 75GPM and Pipe

Results:

| ılts: | | | | | |
|-------------|---------|------------|--------------|-------------------|--|
| Time | Pumping | <u>GPM</u> | <u>Notes</u> | | |
| | Level | | | | |
| | | | | | |
| 10:34:00 AM | 178' | 0 | 0 | | |
| 10:35:00 AM | 222' | 85 | Clear | | |
| 10:40:00 AM | 305' | 70 | Clear | | |
| 10:45:00 AM | 353' | 65 | Clear | | |
| 10:50:00 AM | 400' | 65 | Clear | | |
| 10:55:00 AM | 446' | 60 | Clear | | |
| 11:00:00 AM | 483' | 50 | Clear | | |
| 11:15:00 AM | 490' | 40 | Brown | | |
| 11:30:00 AM | 497' | 35 | Brown | | |
| 11:45:00 AM | 504' | 35 | Brown | | |
| 12:00:00 PM | 504' | 40 | Brown/Clear | Restricted Output | |
| 12:30:00 PM | 492' | 20 | Clear | | |
| 1:00:00 PM | 432' | 30 | Clear | | |
| 1:30:00 PM | 430' | 30 | Clear | | |
| 2:00:00 PM | 430' | 30 | Clear | | |
| 2:35:00 PM | 434' | 30 | Clear | | |
| | | | | | |
| Recovery | | | | | |
| | | | | | |
| | | | | | |

| 342' |
|------|
| 337' |
| 333' |
| 282' |
| 261' |
| 238' |
| 233 |
| 226' |
| 219' |
| 215' |
| 215' |
| 210' |
| 206' |
| |

Thank you for allowing Aqua Engineering the opportunity to test your water well. If you have any questions regarding your test, please don't hesitate to call.

This well test is guaranteed to be accurate as of the above testing date. The Contractor makes no warranties or guarantees as to water quantity or gallons per minute subsequent to the test date. Contractor makes no guarantees or warranties as to potability. The lab conducting the potability testing is solely & exclusively responsible for the results thereof.



N. Rex Awalt Corporation

dba AQUA ENGINEERING PO BOX 398

Phone # (805) 238-1315

| awalt@awaltandson.com | | | |
|--------------------------------------|------------|--|--|
| Bill To | | | |
| Farm Credit West collin.page@farmcre | dtwest.com | | |

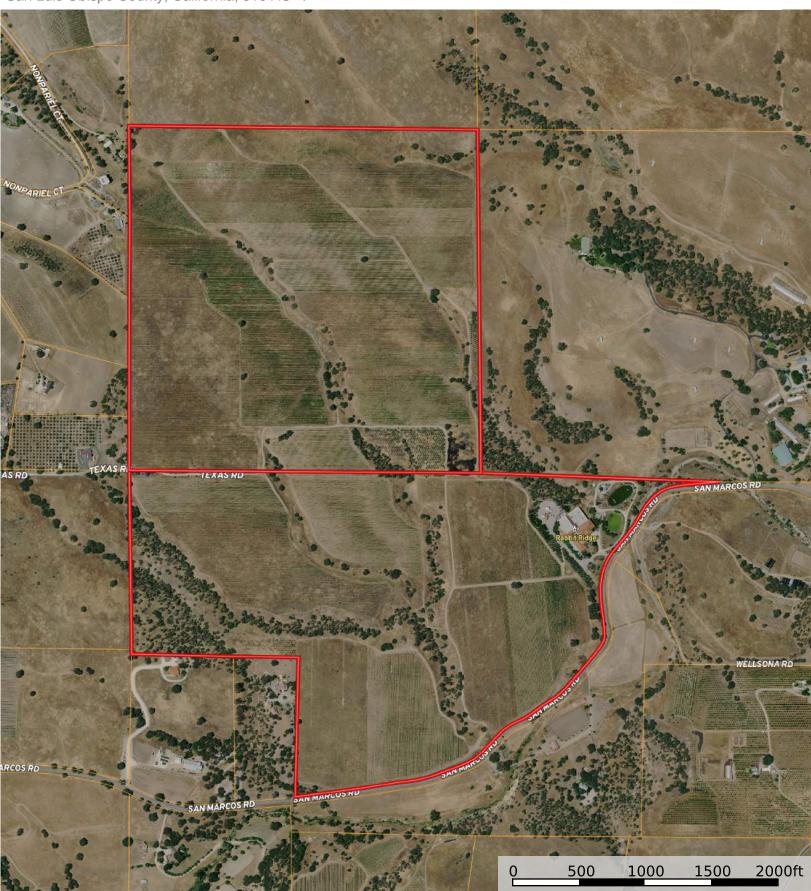
| Date | Invoice # |
|----------|-----------|
| 9/2/2022 | 20638 |

(805) 238-1315

| | P.O. No. | Terms | Job# |
|---|---------------|----------------|------------|
| | | Due on receipt | 406215 |
| Description | Quantity | Rate | Amount |
| Billed as quoted on August 2, 2022 with Change Order to Well by Concrete Tank on August 22, 2022. | | | |
| 30 HP Well On Texas Road. 4 Hour Well Test no repairs | 1 | 1,200.00 | 1,200.0 |
| Well by Concrete Tank. Install new 10HP 75GPM Pump, Motor Perform 4 hour Well Test and leave pumping equipment in well when test is completed | 1 | 12,343.11 | 12,343.1 |
| Add 21' of 3" Galvanized Pipe and total of 500' 6-4 Copper Sub Cable Change Order for Well by Concrete Tank. | 1 | 1,480.09 | 1,480.0 |
| Well by Winery. Service and repair Variable Frequency Drive. Replace keypad, clear cabinet and cabinet filters and perform 4 hour well test. | 1 | 1,683.94 | 1,683.9 |
| Sales Tax | | 7.75% | 0.0 |
| | | | |
| Thank You!!! | | Total | \$16,707.1 |
| Note: All credit card orders or payments will have an additional SPECIAL ORDERS ARE NON RETURNABLE. | charge of 3%. | Payments/Ci | |
| | | Balance D | |

1172 San Marcos Rd, Paso Robles, CA 93446

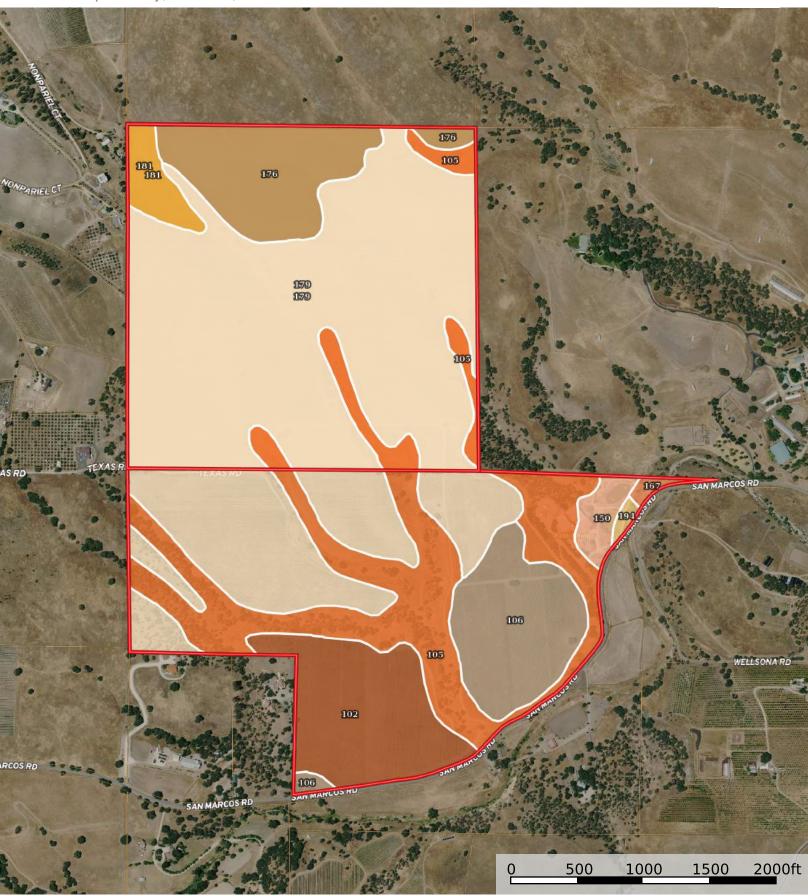
San Luis Obispo County, California, 310 AC +/-





1172 San Marcos Rd, Paso Robles, CA 93446

San Luis Obispo County, California, 310 AC +/-





| All Polygons 470.75 ac

| SOIL CODE | SOIL DESCRIPTION | ACRES | % | СРІ | NCCPI | CAP |
|-----------|--|---------------|-------|-----|-------|------|
| 179 | Nacimiento-Los Osos complex, 9 to 30 percent slopes | 285.6 4 | 60.68 | 0 | 21 | 4e |
| 105 | Arbuckle-Positas complex, 50 to 75 percent slopes | 66.86 | 14.2 | 0 | 6 | 7e |
| 176 | Nacimiento silty clay loam, 30 to 50 percent slopes, MLRA 15 | 49.35 | 10.48 | 0 | 4 | 6e |
| 102 | Arbuckle-Positas complex, 9 to 15 percent slopes | 27.33 | 5.81 | 0 | 28 | 4e |
| 106 | Arbuckle-San Ysidro complex, 2 to 9 percent slopes | 24.08 | 5.12 | 0 | 33 | 4e |
| 181 | Nacimiento-Los Osos complex, 50 to 75 percent slopes | 11.4 | 2.42 | 0 | 5 | 7e |
| 150 | Hanford and Greenfield gravelly sandy loams, 2 to 9 percent slopes | 4.2 | 0.89 | 0 | 26 | 4e |
| 167 | Metz-Tujunga complex, occasionally flooded, 0 to 5 percent slopes | 1.05 | 0.22 | 0 | 20 | 4w |
| 194 | San Emigdio fine sandy loam, 0 to 2 percent slopes, cool, MLRA 15 | 0.84 | 0.18 | 0 | 17 | 4c |
| TOTALS | | 470.7 4(*) | 100% | ı | 17.76 | 4.71 |

^(*) Total acres may differ in the second decimal compared to the sum of each acreage soil. This is due to a round error because we only show the acres of each soil with two decimal.

| Boundary 157.73 ac

| SOIL CODE | SOIL DESCRIPTION | ACRES | % | CPI | NCCPI | CAP |
|-----------|--|---------------|-------|-----|-------|------|
| 179 | Nacimiento-Los Osos complex, 9 to 30 percent slopes | 117.5 4 | 74.52 | 0 | 21 | 4e |
| 176 | Nacimiento silty clay loam, 30 to 50 percent slopes, MLRA 15 | 24.67 | 15.64 | 0 | 4 | 6e |
| 105 | Arbuckle-Positas complex, 50 to 75 percent slopes | 9.82 | 6.23 | 0 | 6 | 7e |
| 181 | Nacimiento-Los Osos complex, 50 to 75 percent slopes | 5.7 | 3.61 | 0 | 5 | 7e |
| TOTALS | | 470.7 4(*) | 100% | ı | 16.83 | 4.61 |

^(*) Total acres may differ in the second decimal compared to the sum of each acreage soil. This is due to a round error because we only show the acres of each soil with two decimal.

| Boundary 313.02 ac

| SOIL CODE | SOIL DESCRIPTION | ACRES | % | СРІ | NCCPI | CAP |
|-----------|--|-------|-------|-----|-------|-----|
| 179 | Nacimiento-Los Osos complex, 9 to 30 percent slopes | 168.1 | 53.7 | 0 | 21 | 4e |
| 105 | Arbuckle-Positas complex, 50 to 75 percent slopes | 57.04 | 18.22 | 0 | 6 | 7e |
| 102 | Arbuckle-Positas complex, 9 to 15 percent slopes | 27.33 | 8.73 | 0 | 28 | 4e |
| 176 | Nacimiento silty clay loam, 30 to 50 percent slopes, MLRA 15 | 24.68 | 7.88 | 0 | 4 | 6e |
| 106 | Arbuckle-San Ysidro complex, 2 to 9 percent slopes | 24.08 | 7.69 | 0 | 33 | 4e |
| 181 | Nacimiento-Los Osos complex, 50 to 75 percent slopes | 5.7 | 1.82 | 0 | 5 | 7e |
| 150 | Hanford and Greenfield gravelly sandy loams, 2 to 9 percent slopes | 4.2 | 1.34 | 0 | 26 | 4e |
| 167 | Metz-Tujunga complex, occasionally flooded, 0 to 5 percent slopes | 1.05 | 0.34 | 0 | 20 | 4w |
| 194 | San Emigdio fine sandy loam, 0 to 2 percent slopes, cool, MLRA 15 | 0.84 | 0.27 | 0 | 17 | 4c |

| TOTALS | | 470.7 4(*) | 100% | - | 18.22 | 4.76 | |
|--------|--|---------------|------|---|-------|------|--|
|--------|--|---------------|------|---|-------|------|--|

^(*) Total acres may differ in the second decimal compared to the sum of each acreage soil. This is due to a round error because we only show the acres of each soil with two decimal.

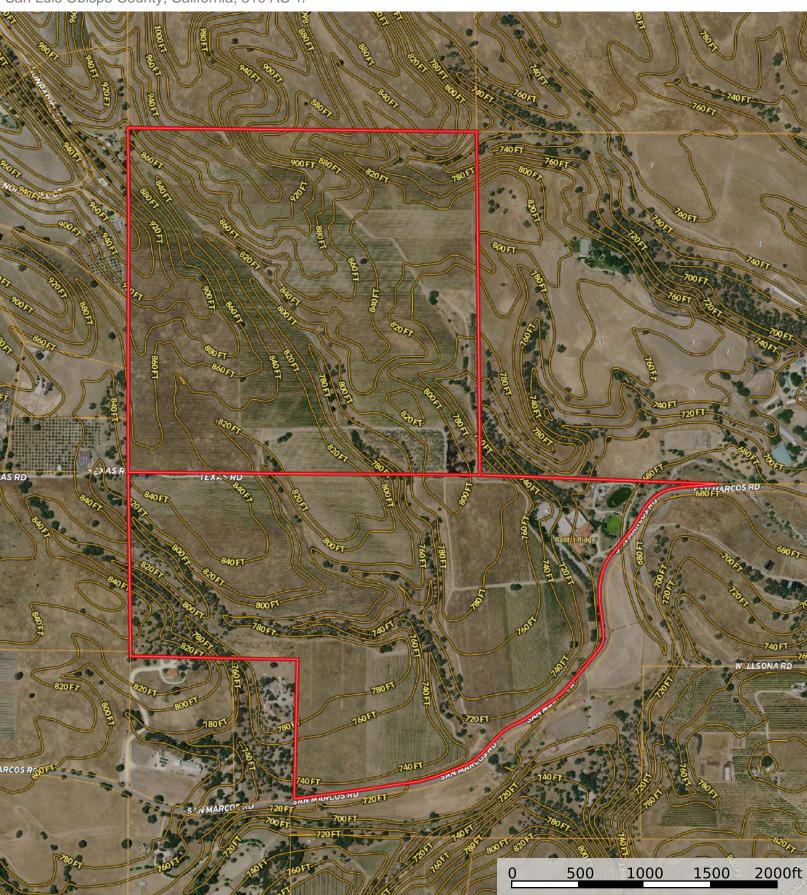
| Capability Legend | | | | | | | | | |
|-----------------------------------|---------|-------|-------|--------|-------|---|---|---|--|
| Increased Limitations and Hazards | | | | | | | | | |
| Decreased Adaptability a | and Fre | eedom | of Ch | oice U | Jsers | | | | |
| Land, Capability | | | | | | | | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| 'Wild Life' | • | • | • | • | • | • | • | • | |
| Forestry | • | • | • | • | • | • | • | | |
| Limited | • | • | • | • | • | • | • | | |
| Moderate | • | • | • | • | • | • | | | |
| Intense | • | • | • | • | • | | | | |
| Limited | • | • | • | • | | | | | |
| Moderate | • | • | • | | | | | | |
| Intense | • | • | | | | | | | |
| Very Intense | • | | | | | | | | |

Grazing Cultivation

- (c) climatic limitations (e) susceptibility to erosion
- (s) soil limitations within the rooting zone (w) excess of water

1172 San Marcos Rd, Paso Robles, CA 93446

San Luis Obispo County, California, 310 AC +/-





Boundary

(Rev. 11/06)

Order Number: 4007-6911349

Page Number: 1

Updated 10-13-2022



First American Title Company

504 First Street, Suite B Paso Robles, CA 93446

California Department of Insurance License No. 151

Escrow Officer: Shelley McGill / Chrissy Taylor

Phone: (805)238-7747
Fax No.: (866)377-7041
E-Mail: smcgill@firstam.com

Title Officer: Lisa Irot

Phone: (805)786-2042
Fax No.: (866)397-7092
E-Mail: lirot@firstam.com

E-Mail Loan Documents to: Lenders please contact the Escrow Officer for email address for

sending loan documents.

Buyer: TBD

Owner: Farm Credit West, FLCA, A Corporation Organized and existing

under the laws of the United States of America

Property: 1172 San Marcos Road

Paso Robles, CA 93446

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.

CLTA Preliminary Report Form

(Rev. 11/06) Page Number: 2

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.

Order Number: 4007-6911349

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.

Page Number: 3

Dated as of September 28, 2022 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:

Farm Credit West, FLCA, A Corporation Organized and existing under the laws of the United States Of America

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

FEE AS TO PARCEL(S) 1 AND 2, AN EASEMENT AS TO PARCEL(S) 1A

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 2022-2023, a lien not yet due or payable.
- 2. Taxes and assessments are unavailable at this time. Please verify all tax and assessment information prior to closing.
- 3. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
- 4. An easement for PUBLIC ROAD and incidental purposes, recorded APRIL 05, 1887 in <u>Book W of Deeds, Page 458</u>.

In Favor of: COUNTY OF SAN LUIS OBISPO
Affects: PARCEL 3, AS DESCRIBED THEREIN

(Affects PARCEL 2)

5. An easement for COMMUNICATION FACILITIES and incidental purposes, recorded OCTOBER 16, 1930 as BOOK 78 PAGE 447 of Official Records.

In Favor of: PACIFIC TELEPHONE AND TELEGRAPH COMPANY, A

CORPORATION

Affects: AS DESCRIBED THEREIN

(Affects PARCEL 2)

6. An easement for ELECTRICAL FACILITIES and incidental purposes, recorded MAY 19, 1986 as BOOK 2833, PAGE 891 of Official Records.

In Favor of: PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA

CORPORATION

Affects: AS DESCRIBED THEREIN

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

(Affects PARCEL 2)

Document(s) declaring modifications thereof recorded SEPTEMBER 17, 1985 as <u>BOOK 2885 PAGE</u> 287 of Official Records.

Document(s) declaring modifications thereof recorded SEPTEMBER 25, 2001 as INSTRUMENT NO. 2001-072431 of Official Records.

7. An easement for COMMUNICATION FACILITIES and incidental purposes, recorded JANUARY 27, 1989 as BOOK 3261 PAGE 883 of Official Records.

In Favor of: AT&T COMMUNICATIONS OF CALIFORNIA, INC.

Affects: AS DESCRIBED THEREIN

(Affects PARCEL 2)

- 8. 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 25, 1993 as INSTRUMENT NO. 1993-010077 of Official Records.
- 9. An easement for ACCESS and incidental purposes, recorded JANUARY 20, 1994 as INSTRUMENT NO. 1994-003773 of Official Records.

In Favor of: MICHAEL PAWITSER
Affects: AS DESCRIBED THEREIN

(Affects PARCEL 2)

10. An easement for COMMUNICATION FACILITIES and incidental purposes, recorded JANUARY 12, 2000

as INSTRUMENT NO. <u>2000-001892</u> of Official Records. In Favor of: AT&T CORP., A NEW YORK CORPORATION

Affects: AS DESCRIBED THEREIN

(Affects PARCEL 2)

Document(s) declaring modifications thereof recorded AUGUST 13, 2001 as INSTRUMENT NO. 2001-060391 of Official Records.

11. The terms and provisions contained in the document entitled "OPEN-SPACE AGREEMENT GRANTING AN OPEN-SPACE EASEMENT TO THE COUNTY OF SAN LUIS OBISPO" recorded MAY 09, 2001 as INSTRUMENT NO. 2001-059669 of Official Records.

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

(Affects Parcel 2)

12. An easement for WATER CONSERVATION DISTRICT FACILITIES and incidental purposes, recorded DECEMBER 31, 2008 as INSTRUMENT NO. 2008063932 of Official Records.

In Favor of: SAN LUIS OBISPO COUNTY FLOOD CONTROL & WATER

CONSERVATION DISTRICT

Affects: AS DESCRIBED THEREIN

13. A financing statement recorded JANUARY 03, 2013 as INSTRUMENT NO. 2013000345 of Official

Records.

Debtor: ERICH L. RUSSELL; JOANNE J. RUSSELL AND RABBIT RIDGE

WINE SALES, INC

Secured party: FARM CREDIT WEST, FLCA

(Affects PARCEL 2)

An amendment to the financing statement was recorded SEPTEMBER 13, 2017 as INSTRUMENT NO. 2017041018 of Official Records.

An amendment to the financing statement was recorded SEPTEMBER 14, 2017 as INSTRUMENT NO. 2017041179 of Official Records.

An amendment to the financing statement was recorded SEPTEMBER 14, 2017 as INSTRUMENT NO. 2017041180 of Official Records.

A continuation statement was recorded SEPTEMBER 14, 2017 as INSTRUMENT NO. <u>2017041181</u> of Official Records.

A continuation statement was recorded AUGUST 04, 2022 as INSTRUMENT NO. <u>2022031765</u> of Official Records.

14. The terms and provisions contained in the document entitled "AGREEMENT TO PURCHASE AND SELL A CORPORATION AND REAL ESTATE AS OF 10/23/2020" recorded OCTOBER 28, 2020 as INSTRUMENT NO. 2020061134 of Official Records.

- 15. Any right, asserted right, or challenge, made by any party, including, but not limited to, a creditor, trustee or debtor in possession in bankruptcy to avoid or invalidate that certain conveyancing document which recorded May 3, 2022 as Instrument No. 2022-19496 of Official Records.
- 16. Any irregularity in the foreclosure proceedings leading up to the Trustee's Deed recorded May 3, 2022 as Instrument No. 2022-19496 of Official Records.
- 17. 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.
- 18. 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.
- 19. Rights of the public in and to that portion of the Land lying within ANY ROAD, STREET AND/OR HIGHWAY.
- 20. Water rights, claims or title to water, whether or not shown by the Public Records.
- 21. Rights of parties in possession.

Page Number: 7

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 1166 San Marcos Road, Paso Robles, CA.
- 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:

A document recorded MAY 03, 2022 as INSTRUMENT NO. 2022019496 of Official Records.

From: FARM CREDIT WEST, FLCA

To: FARM CREDIT WEST, FLCA, A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA

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.

Page Number: 8

LEGAL DESCRIPTION

Real property in the City of Paso Robles, County of San Luis Obispo, State of California, described as follows:

PARCEL 1:

GOVERNMENT LOTS 3 AND 4 AND THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 31, TOWNSHIP 25 SOUTH, RANGE 12 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL THEREOF.

EXCEPTING THEREFROM AN UNDIVIDED 1/2 INTEREST IN THE LAND OWNERS SHARE OF ROYALTIES FROM OIL, GAS, OTHER HYDROCARBONS, OR MINERALS ACTUALLY PRODUCED ON OR FROM SAID LAND OR ANY PART THEREOF, AS RESERVED BY GEORGE BLECHEN AND MARIE BLECHEN, HIS WIFE AND ELSIE LOOSE, A WIDOW IN DEED RECORDED JUNE 10, 1958 IN BOOK 943 PAGE 507 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM AN UNDIVIDED 50% INTEREST IN AND TO GRANTORS PRESENT INTEREST IN ALL OIL, GAS AND OTHER HYDROCARBONS AND OTHER MINERALS THAT ARE OR MAY BE ON OR WITHIN THE LANDS, TOGETHER WITH 50% INTEREST IN AND TO ALL OIL, GAS AND OTHER HYDROCARBONS AND OTHER MINERALS AS SAME MAY BE INCREASED UPON EXPIRATION OF ROYALTY INTERESTS AS RESERVED IN DEED EXECUTED BY GEORGE BLECHEN AND MARIE BLECHEN, HIS WIFE AND BY ELSIE LOOSE, A WIDOW AND RECORDED JUNE 10, 1958 IN BOOK 943 PAGE 507 OF OFFICIAL RECORDS.

SUCH MINERAL RESERVATIONS IN FAVOR OF GRANTORS HEREIN ARE WITHOUT ANY RIGHT OF ENTRY TO THE SURFACE OF SAID LAND AND ARE WITHOUT ANY RIGHT OF ENTRY TO THE FIRST FIVE HUNDRED (500 FEET ADJACENT TO AND LYING BENEATH THE SURFACE OF SAID LAND.

PARCEL 1A:

A 30.00 FOOT WIDE EASEMENT FOR INGRESS, EGRESS AND INCIDENTAL PURPOSES OVER THAT PORTION OF LOT 4 OF "HOME OF THE ALMOND", IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO MAP RECORDED IN BOOK 2 PAGE 17 OF MAPS, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 4; THENCE ALONG THE EASTERLY LINE OF LOT 4, NORTH 00°30′00″ WEST, 65.00 FEET TO THE POINT OF BEGINNING; THENCE PARALLEL TO THE SOUTH LINE OF LOT 4, NORTH 89°45′00″ WEST, 203.81 FEET; THENCE SOUTH 73°38′54″ WEST, 138.47 FEET; THENCE SOUTH 78°42′47″ WEST, 52.18 FEET TO A POINT THAT LIES 15.00 FEET NORTH OF THE SOUTH LINE OF SAID LOT 4; THENCE 15.00 FEET NORTHERLY OF AND PARALLEL TO SAID SOUTH LINE OF LOT 4, NORTH 89°45′00″ WEST, 559.74 FEET TO THE WESTERLY LINE OF LOT 4.

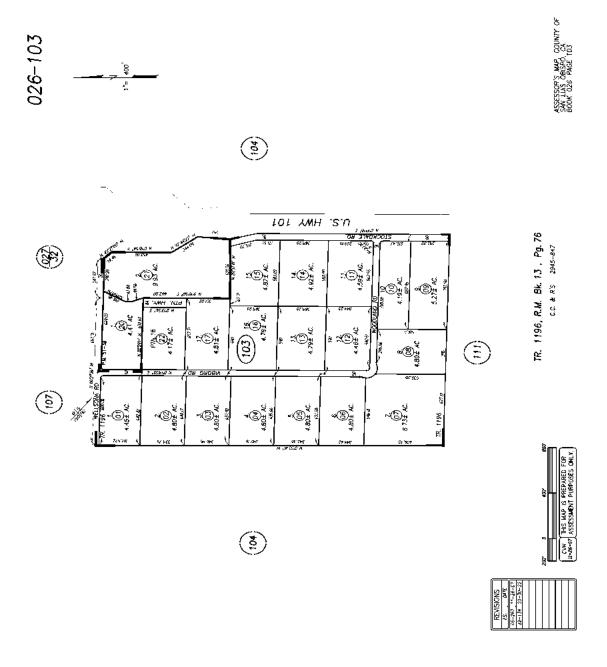
PARCEL 2:

LOT 4 OF SECTION 5; LOTS 1, 2, 3 AND 4, THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 6, ALL IN TOWNSHIP 26 SOUTH, RANGE 12 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE UN-INCORPORATED AREA OF THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THAT PORTION LYING SOUTH OF SAN MARCOS ROAD.

ALSO EXCEPTING ONE-HALF OF THE OIL, GAS, MINERAL AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND AS RESERVED BY ROBERT D. LINNETT, A MARRIED MAN AND HENRY C. BRIGHAM, A MARRIED MAN, IN EQUAL SHARES BY DEED RECORDED JUNE 21, 1977 IN BOOK 1988, PAGE 755 OF OFFICIAL RECORDS.

APN: 027-145-022 (AFFECTS PARCEL 1); 026-104-001 (AFFECTS PARCEL 2)



Page Number: 11

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.

Page Number: 12

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

CLTA STANDARD COVERAGE POLICY - 1990

EXCLUSIONS FROM COVERAGE

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

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

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

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

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

EXCLUSIONS

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

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

Page Number: 13

- b. zoning;
- c. land use;
- d. improvements on the Land:
- e. land division; and
- f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

- 2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
- 3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
- Risks
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
- 5. Failure to pay value for Your Title.
- Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.
 - This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
- 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
- 8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- 9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

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

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

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

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

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

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

- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

Page Number: 14

- 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.
- Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

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

EXCEPTIONS FROM COVERAGE

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

[PART I

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

- (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.

PART II

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

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

EXCLUSIONS FROM COVERAGE

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

- (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.

Page Number: 15

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

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

EXCEPTIONS FROM COVERAGE

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

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

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

EXCLUSIONS FROM COVERAGE

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

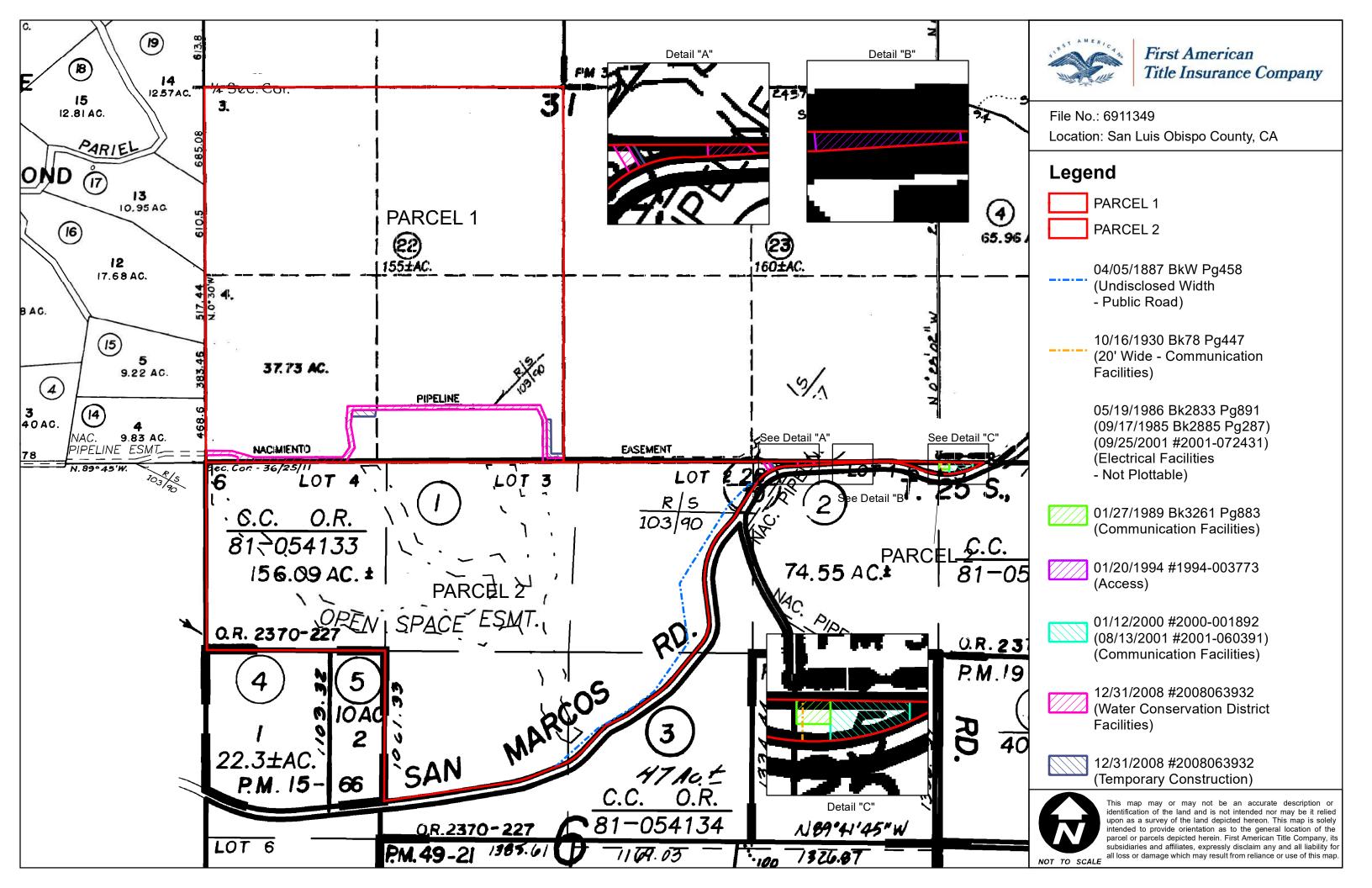
- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;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

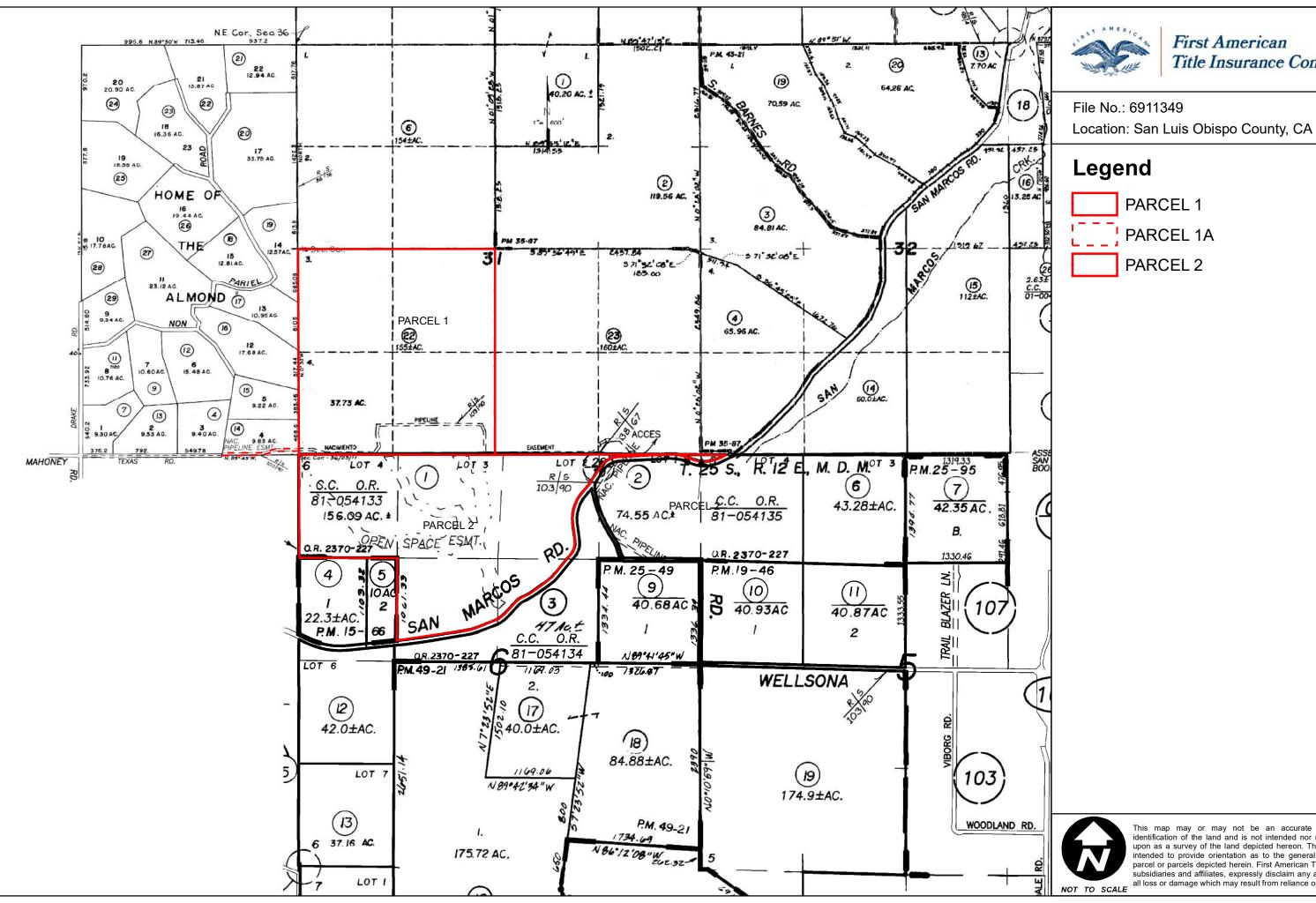
or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.

- (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,

Page Number: 16

- 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
- (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- 4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
- 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
- 6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
- 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
- 8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
- 9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
- Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- 11 Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.







This map may or may not be an accurate description or identification of the land and is not intended nor may be it relied upon as a survey of the land depicted hereon. This map is solely intended to provide orientation as to the general location of the parcel or parcels depicted herein. First American Title Company, its subsidiaries and affiliates, expressly disclaim any and all liability for all loss or damage which may result from reliance or use of this map