

Attachment G

**SPONSOR'S CERTIFICATION
PURSUANT TO SECTION
4.1.13 OF THE PROGRAM
FUNDING AGREEMENT**

SPONSOR’S CERTIFICATION

PURSUANT TO SECTION 4.1.13 OF THE PROGRAM FUNDING AGREEMENT

I, Antonette Navarro, as an authorized representative of the **County of Santa Barbara, a political subdivision of the State of California, acting through its Department of Behavioral Wellness (“Sponsor”)**, hereby certify that:

1. I possess the legal authority to submit this certification on behalf of Sponsor, and the information and statements set forth below are, to the best of my knowledge and belief, true and correct.

2. I am providing this information in connection with an application for funding from the State of California (“**State**”) pursuant to the Behavioral Health Continuum Infrastructure Program for the Haley Street Youth and Family Services Project (“**Project**”) and acknowledge that the State and its contract manager Advocates for Human Potential, Inc. (“**AHP**”) are relying on this information in awarding and disbursing Program Funds.

3. Sponsor has reviewed a current title report dated March 28, 2024, issued by First American Title Company, as File No. 6991840, attached as Exhibit A to this Certification, reflecting all existing liens, encumbrances, taxes owed, easements, covenants, or other restrictions for the real property upon which the Project is to be constructed or operated.”

4. Sponsor has received delegated authority from the Board of Supervisors of the County of Santa Barbara to the Director of the Department of Behavioral Wellness or designee to accept Program Funds as defined in the Program Funding Agreement (ID: 7469-CA BHCIP-B4_211_Haley-01G).

5. Sponsor will comply with Program Requirements as defined in the Program Funding Agreement.

6. Sponsor has determined there are no other deed restrictions including restrictions of use of the Project.

I certify under penalty of perjury under the laws of the State of California that the above information is true and correct and that Sponsor has read and understands the terms of this certification and shall comply with all requirements set forth above, in Sponsor’s Certification, Pursuant to Section 4.1.13 of the Program Funding Agreement, as a condition of receiving the Program Funds.

Authorized Signature

Typed Name of Signatory

Title of Signatory

Date

Updated



First American Title™

First American Title Company

100 South H Street
Lompoc, CA 93436

California Department of Insurance License No. 151

Escrow Officer: Allison Campitelli, CSEO
Phone: (805)737-3737
Fax No.: (866)445-9586
E-Mail: acampitelli@firstam.com

Title Officer: Bridget Foss
Phone: (805)569-6154
Fax No.: (866)397-7090
E-Mail: bfoss@firstam.com

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

Buyer: County of Santa Barbara
Owner: Pathpoint
Property: 315 W. Haley Street
Santa Barbara, CA 93101

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 March 28, 2024 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:

Pathpoint, A California Nonprofit Public Benefit Corporation

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

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

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 2024-2025, a lien not yet due or payable.
2. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
3. An unrecorded lease dated SEPTEMBER 20, 1980, executed by LISOLOTTIE M. MACFARLANE as lessor and HARLAN DEGROODT, EDWIN LENVIK AND KENNEITH MONOR as lessee, as disclosed by a MEMORANDUM OF LEASE recorded DECEMBER 22, 1980 as INSTRUMENT NO. 1980-52902 of Official Records.

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

4. An easement for INGRESS, EGRESS AND UTILITIES and incidental purposes, recorded JANUARY 03, 1984 as INSTRUMENT NO. 1984-70 of Official Records.
In Favor of: RICHARD GODKIN AND DEVON GODKIN
Affects: AS DESCRIBED THEREIN

5. Covenants, conditions, restrictions and easements in the document recorded JANUARY 19, 1984 as INSTRUMENT NO. 1984-3446 of Official Records, but deleting any covenant, condition, or restriction, if any, indicating a preference, limitation, or discrimination based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, handicap, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, to the extent that such covenants, conditions or restrictions violate applicable state or federal laws. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
6. The terms and provisions contained in the document entitled RECOGNITION AND ATTORNMENT AGREEMENT, executed by and between HALEY LAND COMPANY, A CALIFORNIA GENERAL PARTNERSHIP, THE CITY OF SANTA BARBARA and SANTA BARBARA BANK & TRUST, recorded AUGUST 14, 1992, as Instrument No. 1992-63950 of Official Records.
7. The terms, provisions and easement(s) contained in the document entitled "COLLATERAL ASSIGNMENT OF EASEMENT RIGHTS" recorded SEPTEMBER 01, 1992 as INSTRUMENT NO. 1992-68687 of Official Records.
8. A deed of trust to secure an original indebtedness of \$1,326,000.00 recorded June 30, 2015 as INSTRUMENT NO. 2015-34488 OF OFFICIAL RECORDS.
Dated: June 11, 2015
Trustor: PATHPOINT, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION
Trustee: UNIONBANCAL MORTGAGE CORPORATION, A CALIFORNIA CORPORATION
Beneficiary: MUFG UNION BANK, N.A

The terms and provisions contained in the document entitled "SUBORDINATION OF LEASE (TO DEED OF TRUST)" recorded June 30, 2015 as INSTRUMENT NO. 2015-34489 of Official Records.

The effect of a document entitled "PARTIAL RECONVEYANCE", recorded April 03, 2018 as INSTRUMENT NO. 2018-13162 of Official Records.

9. The fact that the land lies within the boundaries of the CENTRAL CITY Redevelopment Project Area, as disclosed by various documents of record.
10. Any easements and/or servitudes affecting easement parcel(s) 2 herein described.
11. Water rights, claims or title to water, whether or not shown by the Public Records.
12. Rights of parties in possession.

Prior to the issuance of any policy of title insurance, the Company will require:

13. With respect to PATHPOINT, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION:
 - a. Evidence that the corporation is properly formed and in good standing in the state of its domicile.
 - b. An official copy of the bylaws for the corporation.

- c. A copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
- d. Other requirements which the Company may impose following its review of the material required herein and other information which the Company may require.

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

First Installment:	\$994.04, PAID
Penalty:	\$0.00
Second Installment:	\$994.03, PAID
Penalty:	\$0.00
Tax Rate Area:	02-042
A. P. No.:	037-192-001

2. According to the latest available equalized assessment roll in the office of the county tax assessor, there is located on the land a(n) Commercial Structure known as 315 West Haley Street, Santa Barbara, CA.

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

None

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

LEGAL DESCRIPTION

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

PARCEL 1:

THAT PORTION OF BLOCK 253 IN THE CITY OF SANTA BARBARA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF HALEY STREET, DISTANT THEREON 150 FEET SOUTHWESTERLY FROM THE MOST NORTHERLY CORNER OF SAID BLOCK;

THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF HALEY STREET 48 FEET;

THENCE AT A RIGHT ANGLE SOUTHEASTERLY 223 FEET, MORE OR LESS, TO THE FENCE ON THE NORTHWESTERLY LINE OF THE LOT OF THE HUNT MERCANTILE COMPANY AS DESCRIBED IN DEEDS RECORDED IN BOOK 118, PAGE 363, AND IN BOOK 107, PAGE 5, BOTH OF OFFICIAL RECORDS OF SAID COUNTY;

THENCE AT RIGHT ANGLES NORTHEASTERLY 48 FEET; THENCE AT RIGHT ANGLES NORTHWESTERLY 223 FEET, MORE OR LESS, TO THE SOUTHEASTERLY LINE OF HALEY STREET AND THE PLACE OF BEGINNING.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS, PARKING AND INCIDENTAL PURPOSES, OVER, UNDER, ACROSS AND THROUGH THAT CERTAIN PARCEL AS SET FORTH IN THAT CERTAIN EASEMENT AGREEMENT, UNDER THE TERMS AND CONDITIONS SET FORTH THEREIN, DATED OCTOBER 12, 1983, EXECUTED BY RICHARD GODKIN AND DEVON GODKIN AND HALEY LAND COMPANY, A GENERAL PARTNERSHIP, REFERENCE TO WHICH IS MADE BY THAT CERTAIN EASEMENT GRANT DEED, DATED OCTOBER 12, 1983 RECORDED OCTOBER 26, 1983 AS INSTRUMENT NO. 83-57475 OF SANTA BARBARA COUNTY AS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF SANTA BARBARA CITY BLOCK 253, IN THE CITY OF SANTA BARBARA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL MAP THEREOF, LYING WITHIN THE PARCELS DESCRIBED IN THE DEEDS TO THE STATE OF CALIFORNIA, RECORDED SEPTEMBER 17, 1958 AS INSTRUMENT NO. 22520 IN BOOK 1555, PAGE 247 OF OFFICIAL RECORDS; AND RECORDED MARCH 1, 1954 AS INSTRUMENT NO. 3547 IN BOOK 1220, PAGE 287 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

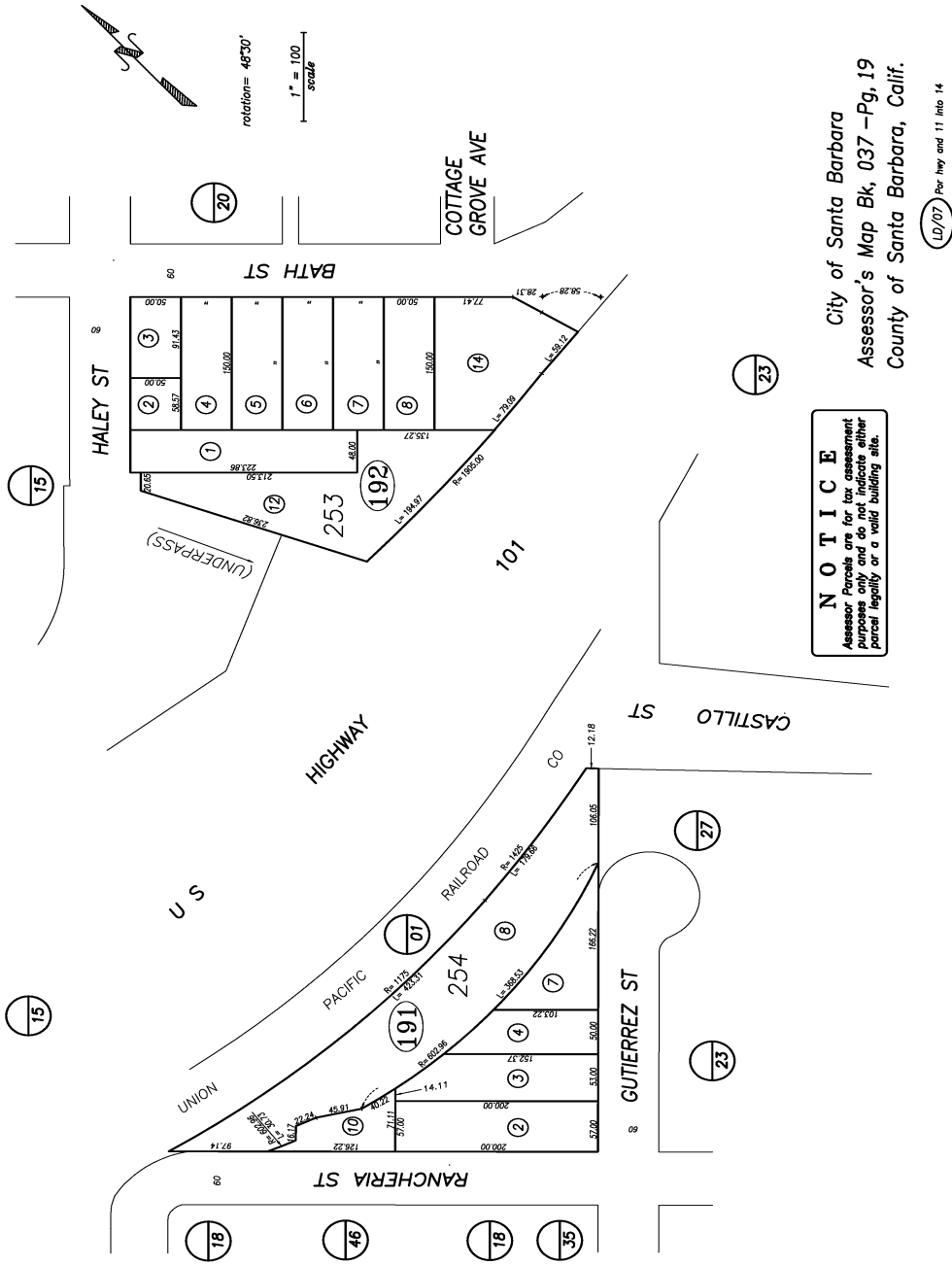
COMMENCING AT A POINT ON THE SOUTHEASTERLY LINE OF HALEY STREET DISTANT THEREON 198 FEET SOUTHWESTERLY FROM THE MOST NORTHERLY CORNER OF SAID BLOCK, SAID POINT BEING THE MOST NORTHERLY CORNER OF THAT PARCEL OF LAND DEEDED TO THE STATE OF CALIFORNIA BY DEED RECORDED SEPTEMBER 17, 1958 AS INSTRUMENT NO. 22520 IN BOOK 1555, PAGE 247 OF OFFICIAL RECORDS, SAID POINT BEING ALSO THE WESTERLY CORNER OF THE PROPERTY DESCRIBED IN DEED TO LISELOTTE MARIE MACFARLANE, RECORDED MARCH 25, 1949 AS INSTRUMENT NO. 3855 IN BOOK 845, PAGE 262 OF OFFICIAL RECORDS; THENCE SOUTH 48° 30' 00" EAST ALONG THE SOUTHWESTERLY LINE OF SAID MACFARLANE PROPERTY, 10.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 48° 30' 00" EAST ALONG THE SOUTHWESTERLY LINE OF SAID MACFARLANE PROPERTY, 213.68 FEET TO THE SOUTHERLY CORNER THEREOF; THENCE SOUTH 41° 30' 00" WEST, 98.10 FEET TO A POINT ON THE "STATE OF CALIFORNIA DIVISION OF HIGHWAYS RIGHT OF WAY FENCE (DISTRICT 05-SB-101)"; THENCE NORTH 28° 50' 27" WEST, 227.73 FEET ALONG

SAID FENCE TO A POINT; THENCE NORTH 43° 33' 35" EAST, 21.51 FEET TO THE TRUE POINT OF BEGINNING.

APN: 037-192-001

037-19

POR. PUEBLO 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.