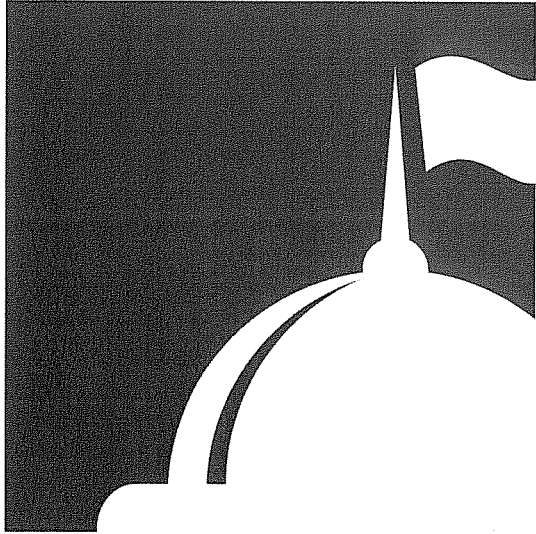


California Tax Disclosure Report



*This report satisfies
the seller's obligation, pursuant
to Civil Code Section 1102.6b, to
disclose all special tax and/or
assessment districts affecting
the subject property*

California Tax Data
www.californiataxdata.com

This Report Prepared Especially For:

THE GRUBB CO

Address : 5932 MAURITANIA AVE

*Your #1 Source for Property Tax Information
(Including Mello-Roos and 1915 Act Disclosures)*

California Tax Data, Inc. 100 Pacifica, Suite 470 Irvine, CA 92618
Tel 877-FIND TAX (877-346-3829) | info@californiataxdata.com
www.californiataxdata.com

PROPERTY TAX DISCLOSURE REPORT FOR:

Property Address: 5932 MAURITANIA AVE

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NOTE

This report is void and not guaranteed if it has not been paid for within 30 days after the close of escrow.

In preparing this report, California Tax Data has relied upon the statutes identified and has reviewed the records referred to in each determination. These are available to the public as Government Records to make the determinations if and to what extent each special tax and assessment statute applies to the subject property. Receipt or use of this report by recipient or any other third party constitutes acceptance of the terms and conditions detailed at the end of this document. Please read these terms and conditions carefully. This report is not a warranty or a policy of insurance. This report is prepared by California Tax Data to comply with certain California laws relating to the disclosure of a continuing lien securing the levy of special taxes pursuant to the Mello-Roos Community Facilities Act (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code) or to a fixed lien assessment collected in installments to secure bonds issued pursuant to the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code) in connection with the sale of real property in California.

NOTICE OF SPECIAL TAX AND ASSESSMENT

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 037A-2742-056-00
Property Address or Legal Description: 5932 MAURITANIA AVE
Report Date: 8/17/2006

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

1. MELLO-ROOS COMMUNITY FACILITIES DISTRICTS

Mello-Roos Community Facilities Districts ("CFD") provide a method of financing certain public capital facilities and services especially in developing areas and areas undergoing rehabilitation. Public improvements funded by Mello-Roos CFDs may include, but are not limited to, roads, schools, water, sewer and storm drain facilities. Public services funded by Mello-Roos CFDs may include, but are not limited to, police and fire protection services, recreation program services, and flood or storm protection services. Mello-Roos CFDs commonly fund the construction of public improvements through the issuance of bonds. A special tax lien is placed on property within the district for the annual payment of principal and interest as well as administrative expenses. Typically, the annual special tax continues until the bonds are repaid, or until special taxes are no longer needed. Mello-Roos special tax rates may increase each year. In most instances but not all, the special tax is collected with regular property taxes.

Properties located within a Mello-Roos Community Facilities District are subject to a special tax, which is in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. This special tax may not be imposed on all parcels within the city or county where the property is located. The special tax is used to provide public facilities or services that are likely to particularly benefit the property.

THIS PROPERTY IS NOT SUBJECT TO MELLO-ROOS COMMUNITY FACILITIES DISTRICT SPECIAL TAX LIEN(S).

2. 1915 BOND ACT ASSESSMENT DISTRICTS

1915 Bond Act assessment districts provide a method of financing certain public capital facilities. Public improvements funded by 1915 Bond Act districts may include, but are not limited to, roads, sewer, water and storm drain systems, and street lighting. 1915 Bond Act assessment districts commonly fund the construction of public improvements through the issuance of bonds. A special assessment lien is placed on property within the assessment district. The lien amount is calculated according to the specific benefit that individual property receives from the improvements and is amortized over a period of years. 1915 Bond Act assessments can be prepaid at any time. In most instances but not all, the assessment is collected with regular property taxes.

Properties within a 1915 Bond Act assessment district are subject to annual assessment installments (a Mello-Roos Community Facilities District special tax and the 1915 Bond Act Assessment District annual assessment installments are hereinafter collectively referred to as "Special Liens"), which are in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. The assessment district issues bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within the assessment district. The bonds will be repaid from annual assessment installments on property within the assessment district. The special assessment is used to provide public facilities that are likely to particularly benefit the property.

THIS PROPERTY IS NOT SUBJECT TO IMPROVEMENT BOND ACT OF 1915 SPECIAL ASSESSMENT LIEN(S).

MELLO-ROOS COMMUNITY FACILITIES DISTRICT SPECIAL TAXES AND THE 1915 BOND ACT ASSESSMENT DISTRICT ANNUAL ASSESSMENT INSTALLMENTS ARE HEREINAFTER COLLECTIVELY REFERRED TO AS "SPECIAL LIENS." IF SPECIAL LIENS DESCRIBED ABOVE ARE NOT PAID WHEN DUE, FORECLOSURE PROCEEDINGS MAY BE INITIATED AT ANY TIME, AFTER PROPERTY TAXES BECOME DELINQUENT. YOUR PROPERTY MAY BE SOLD FOR THE DELINQUENT AMOUNTS, EARLIER THAN WITH REGULAR PROPERTY TAXES.

NOTICE OF SPECIAL TAX AND ASSESSMENT (continued)

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 037A-2742-056-00
Property Address or Legal Description: 5932 MAURITANIA AVE
Report Date: 8/17/2006

THE INFORMATION PROVIDED IN THIS REPORT WAS PREPARED BY NATIONAL TAX DATA, INC. dba CALIFORNIA TAX DATA ("CTD") AND IS SUBJECT TO THE TERMS AND CONDITIONS CONTAINED HEREIN. THE PURPOSE OF THIS REPORT IS TO ASSIST THE SELLER IN FULFILLING HIS OR HER LEGAL DISCLOSURE REQUIREMENT PURSUANT TO CALIFORNIA CIVIL CODE § 1102.6B. THIS REPORT WAS COMPILED USING INFORMATION OBTAINED FROM THE COUNTY, VARIOUS GOVERNMENTAL AGENCIES AND THIRD PARTIES. CTD IS NOT RESPONSIBLE FOR ANY INACCURACIES OR OMISSION IN THE PUBLIC RECORDS OF THE COUNTY, VARIOUS GOVERNMENTAL AGENCIES OR FOR INFORMATION PROVIDED BY THIRD PARTIES. **THIS REPORT IS NOT A SUBSTITUTE FOR A TITLE REPORT OR TITLE INSURANCE AND MAY NOT BE RELIED UPON AS SUCH.**

BUYER'S CONFIRMATION OF RECEIPT:

I (WE) ACKNOWLEDGE THAT I (WE) HAVE RECEIVED A COPY OF THIS NOTICE.

Date: _____ Transferee's Signature (Buyer): _____

Date: _____ Transferee's Signature (Buyer): _____

NOTICE OF SUPPLEMENTAL PROPERTY TAX BILL

In accordance with Section 1102.6(c) of the California Civil Code, it is the sole responsibility of the seller of any real property, or his or her agent, to deliver to the prospective purchaser a disclosure notice of the following:

California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes.

The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector.

If you have any question concerning this matter, please call your local Tax Collector's Office.

As stated above, California law requires that the Assessor re-appraise property upon a change of ownership or the completion of new construction. This re-appraisal results in a supplemental tax assessment which is based on the difference between the new value and the old value of the property, multiplied by the property's Ad Valorem tax rate. The resulting Supplemental Tax amount is then pro-rated, based upon the number of months remaining in the fiscal year in which the event occurred.

The number of tax bills which will be issued also depends on the date the event occurred. If the change of ownership or new construction is completed between January 1st and May 31st, the result will be two supplemental assessments levied on two supplemental tax bills. If the event occurs between June 1st and December 31st, then only one supplemental bill will be issued.

For a complete explanation and estimation of the supplemental tax bills affecting this parcel you can go to www.californiataxdata.com and order a complete Notice of Supplemental Tax Report.

BREAKDOWN OF THE 2005-2006 PROPERTY TAX BILL

This report is an estimate of the original secured property tax bill charges for the above-mentioned property using information obtained from the County on a given date. Changes made by the County or the underlying public agencies levying charges against this property after the date of this report may not be reflected in this report.

Basic Prop 13 Levy

1. All Ad Valorem Taxes	Prop 13	\$5,860.44
County of Alameda (510) 272-6564	General Service	

Voter Approved Ad Valorem Taxes

Basic Prop 13 Levy & Voter Approved Ad Valorem Taxes:	\$5,860.44
Estimated Tax Rate:	1.323%

Direct Assessments

2. School Measure E	School District Special Tax	\$195.00
Oakland Unified School District (510) 879-8188	Education	
3. Landscape & Lighting District	Landscaping & Lighting Maintenance District	\$102.64
City of Oakland (510) 238-7472	Landscape & Lighting	
4. Violence Prevention Tax	Miscellaneous Levy	\$88.00
City of Oakland (510) 238-4758	Violence Prevention	
5. Library Service Retention Measure O	Library Services Assessment	\$75.90
City of Oakland (510) 238-7472	Library	
6. Wet Weather Facilities Charges	Fee/Charge	\$58.80
East Bay Municipal Utilities District (510) 287-1620	Facilities Charge	
7. Alameda-Contra Costa Parcel Tax	2/3 Voter Approved Special Tax	\$48.00
Alameda-Contra Costa Transit District (510) 891-4753	Transportation	
8. County Service Area E.m. 1983-1 (Paramedic)	County Service Area	\$24.96
County of Alameda (510) 628-5070	Emergency Medical	
9. Flood Control Benefit Assessment	Flood Control/Storm Drainage Assessment	\$16.00
County of Alameda (510) 670-5518	Flood Control	
10. E.B.R.P.D. Park Safety/Maint	Landscaping & Lighting District - Park Maintenance	\$12.00
East Bay Regional Park District (510) 635-0135	Park	
11. Medical Response	Paramedics Services Assessment	\$10.76
City of Oakland (510) 238-7472	Emergency Medical	
12. County Service Area 1991-1 (Lead Abatement)	County Service Area	\$10.00
County of Alameda (510) 567-8280	County Services	
13. Paramedic Supplement	Paramedics Services Assessment	\$8.58
City of Oakland (510) 238-7472	Emergency Medical	
14. County Service Area V.c. 1984-1 (Vector Control)	County Service Area	\$7.20
County of Alameda (510) 567-6800	Vector Control	
15. Landscape & Lighting District (East Bay Trails)	Landscaping & Lighting Maintenance District	\$5.44
East Bay Regional Park District (510) 635-0135	Landscape & Lighting	
16. Mosquito Abatement District Special Tax	Vector Control District	\$1.74
Alameda County Mosquito Abatement District (510) 783-7744	Vector Control	

Total Direct Assessment Charges:	\$665.02
Total 2005-2006 Amount:	\$6,525.46

DESCRIPTION OF PROPERTY TAX CHARGES

Ad Valorem Tax

An Ad Valorem Tax is a tax levied on a parcel that is calculated based on the assessed value of the parcel. Ad valorem taxes may include those taxes that were approved by voters before that passage of Proposition 13 in 1978, General Obligation Bonds or Special Taxes that are based on assessed value as opposed to some other method. Taxes that were established before 1978 may be used for various services and improvements and may or may not be associated with public indebtedness (the issuance of municipal bonds). A General Obligation Bond is a municipal bond that may be issued by a city, county or school district in order to finance the acquisition and construction of public capital facilities and real property. Equipment purchases and the cost of operation and maintenance cannot be financed with a General Obligation Bond. Special Taxes are created pursuant to various California Code Sections and require 2/3 majority approval of the qualified voters for approval. A special tax is may be formed by a local government (a city, county, special district, etc...) in order to finance specific facilities and/or services and cannot be used for general purposes.

School District Special Tax

A Special Tax for schools is created pursuant to the Government Code Section 50079-50079.5. upon 2/3 majority approval of the qualified voters. A municipal bond may be issued in order to finance public school facilities. The debt is paid over time from the levy of the special tax. The levy of the special tax may also be used to directly finance facilities and/or services.

Landscaping & Lighting Maintenance District

A Lighting and Landscape Maintenance District is a special assessment district created pursuant to the Landscaping and Lighting Act of 1972 (Streets and Highways Code Section 22500 et seq.) upon majority approval of the property owners during an assessment balloting procedure. These Districts may be formed by a local government (a city, county, special district, etc...) in order to finance certain services that benefit the properties within the district. The District must provide special benefit to the properties within the district in order to levy special assessments. The District will include the ability to issue municipal bonds to finance improvements pursuant to the Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 et seq.) however this is not common.

Miscellaneous Levy

Information on this levy is unavailable or the charge is extremely limited in respect to the number of parcels it is applicable to. If this charge appears on your tax bill please contact us and we will assist you in researching this special charge.

Library Services Assessment

A library services assessment is a general category of direct property tax charges that may be levied pursuant to various California legal Codes. The assessment pays for library services available to the residents of the area affected by the assessment.

Fee/Charge

A Fee or Charge is created pursuant to various California Code Sections that is a voluntary charge imposed on an individual. State law requires that a fee cannot exceed the estimated reasonable cost of providing a service or facility, or else it is considered a special tax. Many special districts, such as those that provide water or electricity, impose fees or charges. Fees usually show up on utility bills, although some fees or charges are collected annually as a separate line item on the County property tax bills for each of the parcels within the district.

2/3 Voter Approved Special Tax

A Special Tax is created pursuant to the Government Code Section 50075 et. Seq. upon 2/3 majority approval of the qualified voters. A municipal bond may be issued in order to finance public facilities and/or services. The debt is paid over time from the levy of the special tax. The levy of the special tax may also be used to directly finance facilities and/or services.

County Service Area

A County Service Area, known as a CSA, is a multi-purpose special district created pursuant to Government Code Section 25210.1 et seq. upon majority approval of the qualified voters during an election procedure. A CSA may include all or part of the unincorporated area of a county that provides wide variety of facilities and services within the CSA. A CSA is used to identify areas that desire a higher level of specific services than those already provided within the entire county. A CSA must provide special benefit to the properties within the CSA in order to levy special assessments and/or fees/charges may provide general benefit and/or special benefit to the properties within the CSA in order to levy special taxes and/or ad valorem taxes. A Community Services District will include the ability to issue municipal bonds to finance facilities. The debt is paid over time from the levy of the assessments.

Flood Control/Storm Drainage Assessment

A Flood Control/Storm Drainage Assessment is a special assessment created pursuant to the Health and Safety Code Section 5470 et seq. upon majority approval of the property owners during an assessment balloting procedure. A Flood Control/Storm Drain Assessment may be created by a local government (a city, county, special district, etc...) in order to finance flood control/storm drainage facilities and services. A Flood Control/Storm Drain Assessment must provide special benefit to the properties within the service area in order to be levied.

Landscaping & Lighting District - Park Maintenance

A 1972 Act Landscaping and Lighting District is a special assessment district created pursuant to the Landscaping and Lighting Act of 1972 (Streets and Highways Code Section 22500 et seq.) upon majority approval of the property owners during an assessment balloting procedure. A 1972 Act Landscaping and Lighting District may be formed by a local government (a city, county, special district, etc...) in order to finance certain services that benefit the properties within the district. A 1972 Act Landscaping and Lighting District must provide special benefit to the properties within the district in order to levy special assessments. A 1972 Act Landscaping and Lighting District will include the ability to issue municipal bonds to finance improvements pursuant to the Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 et seq.) however this is not common.

Paramedics Services Assessment

A Paramedics Services Assessment is a special assessment created upon majority approval of voters. A Paramedic Services Assessment may be levied or bonds issued by a local government (a city, county, special district, etc...) in order to finance certain services that benefit the citizens within the district.

Vector Control District

A Vector Control District is a special assessment district created pursuant to the Health and Safety Code Section 2270 et seq., in order to collect costs of a local government (a city, county, special district, etc...) related to vector control. One-time abatements include a notice to the property owner prior to abatement followed by a public hearing. Upon abatement, if the amount owing remains delinquent, a recorded lien is placed on the parcel for the abatement amount, which may include a surcharge that is usually 10% of the amount or is an administrative charge based on actual administrative costs. Ongoing abatements are established upon majority approval of the property owners during an assessment balloting procedure.

Terms, Conditions and Limitations

This report and the determinations made herein were prepared by California Tax Data, Inc. ("CTD"). Only the buyer (and his/her agent) and the seller (and his/her agent) may use or rely on this report. The determinations made in this report are time-sensitive. Therefore, the information in this report may be considered accurate only as of the date shown herein. Governmental actions occurring after the date of this report are not disclosed, and CTD is under no duty to update this report when or if new tax information is released or becomes available. The sole purposes of this report are to (a) make preliminary determinations regarding whether current secured tax rolls contain Mello-Roos Community Facilities District Special Taxes or 1915 Bond Act Special Assessments against the subject property, and (b) assist the seller in fulfilling his/her duty to comply with California Civil Code §1102.6b. This report is not a substitute for a title report or title insurance and may not be relied upon as such.

This report is for the exclusive benefit and reliance of the specific buyer and specific seller mentioned herein and there shall be no third party beneficiaries. This report may not be used in any subsequent transaction affecting the subject property. This report is void and not guaranteed if it has not been paid for within 30 days after the close of escrow.

This Report addresses special tax assessment matters only. It does not address matters related to (a) title or title defects, (b) earthquake zones, flood zones, fire zones or other natural hazard zones, (c) survey or geologic issues, (d) land use or zoning, (e) the California Subdivided Lands Act or the Subdivision Map Act, (f) compliance with other federal, state or local laws, ordinances or restrictions that may apply to the property, such as the Americans with Disabilities Act and building codes, (g) restrictions affecting the use, occupancy or development of the property imposed by any state, local or federal governmental agency, including without limitation, flood control districts, the California Coastal Commission, joint power districts, water districts, agencies or school districts, (h) any permits of any nature that may be required for the current or anticipated future use of the property, or (i) any other legal concerns that might affect the property.

CTD has prepared this report solely based upon records and information provided by various governmental and private agencies. CTD has assumed that these records and information are accurate and complete, and CTD has not conducted any independent verification of their accuracy or completeness. CTD hereby disclaims all liability and shall not be responsible for any inaccuracies or omissions in the public records or information supplied by the various governmental and private agencies supplying information to CTD.

In order to prepare this report, either the seller (or his/her agent) or the buyer (or his/her agent) supplied CTD with the Assessors Parcel Number ("APN") for the subject property. CTD has not verified the accuracy of the APN. This report was prepared based upon such APN, and CTD shall not be responsible or liable for any losses, liabilities or damages resulting from an incorrect APN.

BY ACCEPTING OR USING THIS REPORT, THE BUYER AND SELLER HEREBY AGREE TO BE BOUND BY ALL OF THE TERMS, CONDITIONS, AND LIMITATIONS OF LIABILITY STATED HEREIN.

WOOD DESTROYING . ESTS AND ORGANISMS INSPECTION REPORT

Building No.	Street, City, Zip	Date of inspection	No. of Pages
5932	Mauritania Avenue, Oakland, CA, 94605	08/08/06	9

MITTS TERMITE CONTROL INC
 427 San Pablo Avenue
 Albany, CA 94706
 Ph: (510) 525-2202 Fax: (510) 525-1028



Firm Registration No. PR 0655	Report No. 261062	Escrow No.
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Ordered By: Mark Cull 5932 Mauritania Avenue Oakland CA 94605	Property Owner/Party of Interest: Mark Cull 5932 Mauritania Avenue Oakland CA 94605	Report Sent To: Mark Cull 5932 Mauritania Avenue Oakland CA 94605
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COMPLETE REPORT LIMITED REPORT SUPPLEMENTAL REPORT REINSPECTION REPORT

General Description: One-story single family dwelling on concrete foundations with V rustic siding	Inspection Tag Posted: Subarea marked BW
	Other Tags Posted: None seen

An inspection has been made of the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.

Subterranean Termites Drywood Termites Fungus/Dryrot Other Findings Further Inspection
 If any of above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items.

RECEIVED AND READ
 NUMBER OF PAGES 11

NAME _____ DATE _____
 NAME _____ DATE _____

NOTE: DIAGRAM IS DISPLAYED ON PAGE 2.

Inspected By Ben Wald License No. FR24939 Signature

You are entitled to obtain copies of all reports and completion notices on this property reported to the Structural Pest Control Board during the preceding two years. To obtain copies contact : Structural Pest Control Board, 1418 Howe Avenue, Suite 18, Sacramento, California 95825-3204.

NOTE: Questions or problems concerning the above report should be directed to the manager of the company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control Board at (916) 561-8708, (800) 737-8188 or www.pestboard.ca.gov. 43M-41 (Rev. 10/01)

2nd PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

5932

Mauritania Avenue, Oakland, CA, 94605

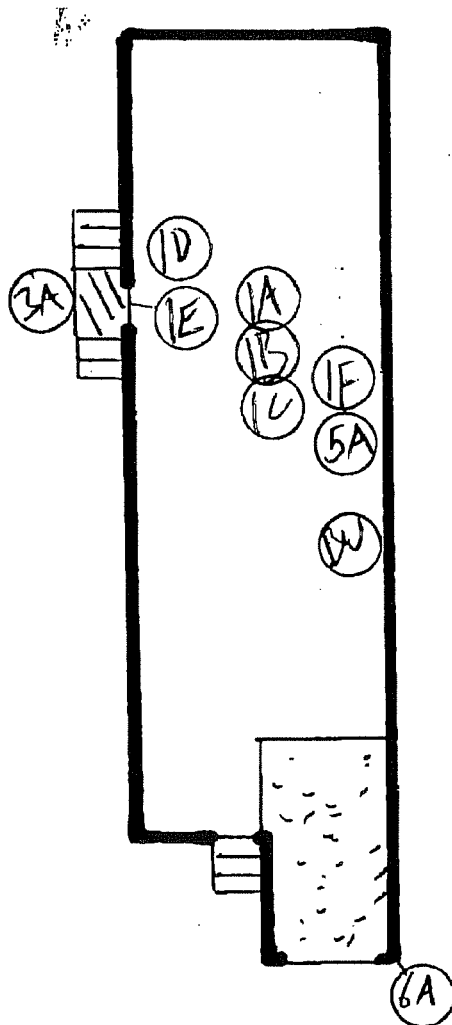
08/08/06

261062

BUILDING NO. STREET, CITY, STATE, ZIP

INSPECTION DATE REPORT NO.

DIAGRAM NOT TO SCALE



3rd

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

5932

Mauritania Avenue, Oakland, CA, 94605

08/08/06

261062

BUILDING NO.

STREET, CITY, STATE, ZIP

INSPECTION DATE

REPORT NO.

Certain areas are recognized by the industry as inaccessible and/or for other reasons not inspected. These include but are not limited to: inaccessible and/or insulated attics or portions thereof, attics with less than 18" clear crawl space, the interior of hollow walls; spaces between a floor or porch deck and the ceiling below; area where there is no access without defacing or removing lumber, masonry or finished work; areas behind stoves, refrigerators or beneath floor coverings, furnishings; areas where encumbrances and storage, conditions or locks make inspection impractical, portions of the subarea concealed or made inaccessible by ducting or insulation, area beneath wood floors over concrete, and areas concealed by heavy vegetation. Areas or timbers around eaves were visually inspected from ground level only. Although we make visual examinations, we do not deface window/door frames or decorative trims. Unless otherwise specified in this report, we do not inspect fences, sheds, dog houses, detached patios, detached wood decks, wood retaining walls or wood walkways. We assume no responsibility for work done by anyone else, for damage to structure or contents during our inspection, or for infestation, infection, adverse conditions or damage undetected due to inaccessibility or non-disclosure by owner/agent/tenant.

Slab floor construction has become more prevalent in recent years. Floor covering may conceal cracks in the slab that will allow infestation to enter. Infestations in the walls may be concealed by plaster so that a diligent inspection may not disclose the true condition. These areas are not practical to inspect because of health hazards, damage to the structure; or inconvenience. They were not inspected unless described in this report. We recommend further inspection if there is any question about the above noted areas. Ref: Structural Pest Control Act, Article 6, Section 8516(b), paragraph 1990(i). Amended effective March 1, 1974. Inspection is limited to disclosure of wood destroying pests or organisms as set forth in the Structural Pest Control Act, Article 6, Section 8516(b), Paragraph 1990-1991.

Second story stall showers are inspected but not water tested unless there is evidence of leaks in ceiling below. Ref: Structural Pest Control Rules and Regulations, Sec. 8516G. Sunken or below grade showers or tubs are not water tested due to their construction.

If this report is used for escrow purposes then it is agreed that this inspection report and Completion, if any, is part of the ESCROW TRANSACTION. However, if you received written or verbal instructions from any interested parties involved in this escrow (agents, principals, etc.) to not pay our invoice at close of escrow, you are instructed by us not to use these documents to satisfy any conditions or terms of your escrow for purposes of closing the escrow.

SHOULD DAMAGE EXTEND FURTHER THAN OUTLINED IN OUR REPORT INTERESTED PARTIES OR HOMEOWNER WILL BE RESPONSIBLE FOR ADDITIONAL COSTS. SHOULD CONTRACTOR BE ENGAGED BY OTHERS TO PERFORM THE REPAIRS OUTLINED IN OUR REPORT AND DAMAGE IS FOUND AT THAT TIME TO EXTEND FURTHER INTO INACCESSIBLE AREAS THE CONTRACTOR IS ADVISED TO CONTACT THE HOMEOWNER OR INTERESTED PARTIES FOR ADDITIONAL FUNDS. MITTS TERMITE CONTROL CANNOT BE HELD LIABLE FOR HIDDEN OR INACCESSIBLE AREAS THAT CONCEAL FURTHER DAMAGES.

Owner must be aware of the above if obtaining competitive bids.

Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.) however, recommendations to correct these findings may vary from company to company. You have the right to seek a second opinion from another company.

No guarantees or warranties regarding workmanship or materials will be given by this firm if work is performed by others even if work is acceptable and approved by this firm.

Only a licensed pest control firm may apply any chemical for the treatment of wood destroying organisms including fungicides (for exception, see Sec. 8555 of the Business and Professional Code, Division 3).

We do not inspect dwellings from extension ladders during a normal inspection. The underside of the roof eaves will be inspected as close as practical depending on the height. We will not inspect roof coverings or walk on roofs during the course of normal inspections.

GUARANTEE: Mitts Termite Control, Inc., guarantees all pest control repairs for one (1) year from the date of completion, excluding caulking, sealing, grouting, roofing, plumbing, leaks and other mechanical failures. Caulking, sealing and grouting is guaranteed by this firm for thirty (30) days from the date of completion. Roofing, plumbing and other mechanical repairs are guaranteed by this firm for ninety (90) days from the date of completion.

This company will reinspect repairs done by others within four months of the original inspection. A charge, if any, can be no greater than the original inspection fee for each reinspection. The reinspection must be done within ten (10) working days of request. The reinspection is a visual inspection and if inspection of concealed areas is desired, inspection of work in progress will be necessary. Any guarantees must be received from parties performing repairs.

4th PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

5932	Mauritania Avenue, Oakland, CA, 94605	08/08/06	261062
BUILDING NO.	STREET, CITY, STATE, ZIP	INSPECTION DATE	REPORT NO.

THE EXTERIOR SURFACE OF THE ROOF WILL NOT BE INSPECTED. IF YOU WANT THE WATER TIGHTNESS OF THE ROOF DETERMINED, YOU SHOULD CONTACT A ROOFING CONTRACTOR WHO IS LICENSED BY THE CONTRACTOR'S STATE LICENSE BOARD.

"NOTICE: The Structural Pest Control Board encourages competitive business practices among registered companies. Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However recommendations to correct these findings may vary from company to company. Therefore, you may wish to seek a second opinion since there may be alternative methods of correcting the findings listed on this report that may be less costly."

A SEPARATED REPORT HAS BEEN REQUESTED WHICH IS DEFINED AS SECTION I/SECTION II CONDITIONS EVIDENT ON THE DATE OF INSPECTION. SECTION I CONTAINS ITEMS WHERE THERE IS EVIDENCE OF ACTIVE INFESTATION, INFECTION OR CONDITIONS THAT HAVE RESULTED IN OR FROM INFESTATION OR INFECTION. SECTION II ITEMS ARE CONDITIONS DEEMED LIKELY TO LEAD TO INFECTION OR INFESTATION BUT WHERE NO VISIBLE EVIDENCE OF SUCH WAS FOUND. FURTHER INSPECTION ITEMS ARE DEFINED AS RECOMMENDATIONS TO INSPECT AREA(S) WHICH DURING THE ORIGINAL INSPECTION DID NOT ALLOW THE INSPECTOR ACCESS TO COMPLETE THEIR INSPECTION AND CANNOT BE DEFINED AS SECTION I OR SECTION II.

SUBAREA - VENTILATION:

Item 1A: Fungus infected wood scraps and debris are littering the subarea soil.

\$300.

RECOMMENDATION: Remove all wood scraps and debris of a cellulose nature and of a size large enough to rake and dispose of same.
***** This is a Section 1 Item *****

Item 1B: Scattered fungus growth noted to the subframing throughout the underside of this dwelling. This is partially cause from lack of ventilation.

\$1100

RECOMMENDATION: Chemically treat all exposed substructure wood members with Tim-Bor for the control of fungus.
Tim-Bor--Active Ingredient--Disodium Octaborate Tetrahydrate (Na288013*4H20)
***** This is a Section 1 Item *****

Item 1C: The ventilation for the subarea is inadequate due to insufficient number of ventilator openings creating an excessive condition resulting in fungus.

\$800

RECOMMENDATION: Install additional 6x14 quarter inch wire mesh ventilators approximately every 6 to 8 lineal feet around the perimeter of the subarea in order to increase air flow.
***** This is a Section 1 Item *****

5th

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

5932

Mauritania Avenue, Oakland, CA, 94605

08/08/06

261062

BUILDING NO.

STREET, CITY, STATE, ZIP

INSPECTION DATE

REPORT NO.

SUBAREA - VENTILATION:

Item 1D: Active Subterranean termites noted to the wood members directly below the side entry door.

\$1600

RECOMMENDATION: Brush down all accessible migratory termite tubes. Chemically treat the exterior soil around the entire perimeter of the foundation and locally treat interior soil as necessary for the control of subterranean termites.

NOTE: Interested parties should be aware that sometimes while drilling and treating through concrete slab floors, driveways, sidewalks, etc., there is the possibility of hitting hidden plumbing or wiring. Should it become necessary to repair plumbing or electrical systems hidden in concrete slabs, owners will need to obtain the services of the appropriate tradesperson to repair same. THIS IS NOT INCLUDED IN OUR COST ESTIMATE.

***** This is a Section 1 Item *****

NOTE: For any reason should we need to alter our method of chemical treatment for the control of subterranean termites, Tim-Bor or Premise Foam will be used in lieu of Premise 75 or Termidor. The main reason for the use of Tim-Bor or Premise Foam, especially during adverse weather conditions, is that our method of treatment is to inject chemical into the soil and this will not work with the soil being saturated. Another reason would be plumbing or unseen drainage systems. Tim-Bor or Premise Foam would be applied per label instructions and our guarantee would still apply.

PREMISE 75 and/or PREMISE FOAM: Active Ingredients: Imidacloprid, 1-(6-Chloro-3-pyridinyl) methyl-N-Nitro-2-imidazolidinimine 75.0%

TERMIDOR SC: Active Ingredients: Fipronil:5-amino-1-(2,6-dichloro-4-(trifluoromethyl)phenyl)-4-(1,R,S)-trifluoromethyl)sulfinyl)-1-H-pyrazole-3-carbonitrile 9.1%

Tim-Bor: Active Ingredient: Disodium Octaborate Tetrahydrate (Na₂B₈O₁₃·4H₂O)

Item 1E: Damage by subterranean termites and decay noted to the subflooring and framing below the side entry door.

\$550

RECOMMENDATION: Trim away damaged wood members and resupport with new material.

***** This is a Section 1 Item *****

NOTE: DURING THE COURSE OF REPAIRS SHOULD THE TILE FLOOR ABOVE BECOME DISTURBED A SUPPLEMENTAL REPORT WILL BE ISSUED STATING CONDITIONS FOUND AND AN ADDITIONAL COST ESTIMATE SUBMITTED.

Item 1F: A minor sewer leak was noted below the hall bathroom.

RECOMMENDATION: Owners are to have a plumber evaluate and make repairs as necessary.

***** This is a Section 2 Item *****

6th

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

5932 Mauritania Avenue, Oakland, CA, 94605

08/08/06

261062

BUILDING NO. STREET, CITY, STATE, ZIP

INSPECTION DATE

REPORT NO.

PORCHES-STEPS-DECKS-PATIOS:

Item 3A: Scattered damage by dry rot decay was noted to the decking surface and framing.

\$2275

RECOMMENDATION: Remove decking surface and steps down to bare framing, cut away all damaged framing and step jacks and replace with new pressure treated framing and step jacks. Install new standard grade 2x6 step treads and decking surface.

***** This is a Section 1 Item *****

NOTE: UPON OBTAINING A BUILDING PERMIT SHOULD THE CITY REQUIRE ADDITIONAL DRAWINGS THERE WILL BE AN ADDITIONAL CHARGE FOR SAME.

GARAGES:

Item 4A: Minor decay was noted to the base of the overhead garage door.

\$400

RECOMMENDATION: Trim away damaged wood members and install a 1x4 trim board.

***** This is a Section 1 Item *****

INTERIORS-BATHROOMS-ATTICS:

Item 5A: Damage by decay was noted to the subflooring below the hall bathroom tub shower.

\$3700.

RECOMMENDATION: Remove tiled wall surface down to bare subframing, cut away all damaged framing and resupport with new material as required. Install new durock or wonder board and new ceramic tile of a standard grade.

***** This is a Section 1 Item *****

NOTE: DURING THE COURSE OF REPAIRS SHOULD THE TUB NEED TO BE REMOVED THE TILE FLOOR WILL BECOME DISTURBED AT WHICH TIME A SUPPLEMENTAL REPORT WILL BE ISSUED STATING CONDITIONS FOUND AND AN ADDITIONAL COST ESTIMATE SUBMITTED.

NOTE: During the removal and reinstallation of the toilet should it become damaged in any way **there will be an additional charge for replacement** of same. Normal charge for a standard grade white in color toilet would be \$300.00. A specialty toilet would generate a higher estimate. There will also be an additional charge for any plumbing repair that may become necessary such as lead wasteline or hercle ring replacement which would include all adjacent plumbing. Basic cost would be around \$650.00.

NOTE: Ceramic tile is to be of a standard grade to match or harmonize with existing decor. Our price allowance for tile for counter tops and floors is up to \$6.50 per square foot and cost allowance for stall showers and tub backs is up to \$3.00 per square foot. Any cost above that will be an upgrade and will be additional.

NOTE: TILE PRICES ARE SUBJECT TO CHANGE.

NOTE: OUR ESTIMATE IS FOR 4x4 TILE ONLY.

7th

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

5932

Mauritania Avenue, Oakland, CA, 94605

08/08/06

261062

BUILDING NO.

STREET, CITY, STATE, ZIP

INSPECTION DATE

REPORT NO.

EXTERIORS - ABUTMENTS:

Item 6A: Damage by decay was noted to the siding and framing.

RECOMMENDATION: Trim away damaged wood members and resupport with new prime painted material.

***** This is a Section 1 Item *****

\$1200.

GENERAL CONDITIONS

A. Our inspection is limited to visible and accessible areas only. Should interested parties desire a further inspection of any inaccessible area it would be done upon request and for an additional cost.

B. Indications of settlement was noted at a few localities. Further information concerning settlement or settlement related problems should be obtained from the appropriate professional in this field.

C. The roof eaves around the perimeter of this structure are inaccessible for inspection due to their height and/or soffited. Our inspection is limited to visible and accessible areas only. Should further inspection be desired it would be done upon request for an additional cost.

D. The hall bathroom floor surface is tile. See 5A and 1F.

E. The laundry room floor is tile and appears to be serviceable.

F. The kitchen floor surface is tile and the counter-top is formica. These surfaces appear to be serviceable.

G. The garage is constructed on concrete slab floors with finished walls and ceilings and/or stored articles preventing a complete and thorough inspection of interior wall cavities. The paint on the ceiling in the garage is peeling. Further information should be obtained from a painting contractor. These areas are considered inaccessible. SEE A ABOVE.

H. This dwelling appears to gain moisture in the subarea during inclement weather. Further information being desired regarding dampness or drainage should be obtained from a licensed drainage contractor.

I. Interior and exterior surfaces around the perimeter of this structure will need to be kept well sealed and painted. Water prone wall and floor areas also need to be kept well sealed and grouted as part of general property maintenance.

J. The roof covering, gutters and downspouts were not inspected and no guarantees are given to same and further information or guarantees being desired should be obtained from a licensed roofing contractor.

8th

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

5932

Mauritania Avenue, Oakland, CA, 94605

08/08/06

261062

BUILDING NO.

STREET, CITY, STATE, ZIP

INSPECTION DATE

REPORT NO.

K. No representations will be made by this firm regarding plumbing, heating or electrical systems except as pointed out in the body of this report. Further information being desired concerning the above should be obtained from the appropriate trades.

NOTE: There may be health related issues associated with the findings reflected in this report. We are not qualified to and do not render any opinion concerning such health issues. The inspection reflected by this report was limited to visible and accessible areas only. Questions concerning health related issues, which may be associated with the findings or recommendations reflected in this report, the presence of mold and the release of mold spores or concerning indoor air quality should be directed to a Certified Industrial Hygienist.

9th

PAGE OF STANDARD INSPECTION REPORT ON PROPERTY AT:

5932 Mauritania Avenue, Oakland, CA, 94605

08/08/06

261062

BUILDING NO. STREET, CITY, STATE, ZIP

INSPECTION DATE REPORT NO.

OCCUPANTS CHEMICAL NOTICE

MITTS TERMITE COMPANY, INC. will use pesticide chemical(s) specified below for the control of wood destroying pests or organisms in locations identified in the Structural Pest Control report as indicated above.

(1) The pest(s) to be controlled:

X SUBTERRANEAN TERMITES X FUNGUS or DRY ROT

POWDER POST BEETLES DRY-WOOD TERMITES

(2) The pesticide(s) proposed to be used and the active ingredient(s).

X TIM-BOR: Active Ingredients: Disodium Octaborate Tetrahydrate (Na288013*4H2O)

X PREMISE 75 and/or PREMISE FOAM: Active Ingredients: Imidacloprid,1-(6-Chloro-3-pyridinyl)methyl)-N-Nitro-2-imidazolidinimine 75.0%

X VIKANE--Active Ingredient--Sulfury Flouride 99%

X TERMIDOR SC: Active Ingredients: Fipronil: 5-amino-1-(2,6-dichloro-4-(trifluoromethyl)phenyl)-4-(1,R,S)-trifluoromethylsulfinyl)-1-H-pyrazole-3-carbonitrile 9.1%

(3) "State Law requires that you be given the following information: CAUTION-PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the state finds that, based on existing scientific evidence, there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized."

"If within 24 hours following application you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center and your pest operator immediately. (This statement shall be modified to include any other symptoms of over exposure which are not typical of influenza.)" For further information, contact any of the following:

- Mitts Termite Company (510) 525-2202
Alameda County Health Department (510) 567-6700
Alameda County Agriculture Commissioner (510) 670-5232
Poison Control Center (800) 876-4766
Structural Pest Control 1418 Howe Avenue Ste. 18 Sacramento, CA 95825 (800) 737-8188
Contra Costa County Health Department (925) 313-6710
Contra Costa County Agriculture Commissioner (925) 646-5250

Persons with respiratory or allergic conditions, or others who may be concerned about their health relative to this chemical treatment, should contact their physician concerning occupancy during and after chemical treatment prior to signing this NOTICE.

NO CHEMICAL APPLICATION WILL BE PERFORMED UNTIL SUCH TIME THAT THIS NOTICE IS RETURNED. HAVING READ THE INSTRUCTIONS, I, THE UNDERSIGNED, WILL ACCEPT RESPONSIBILITY FOR ALL THE AFOREMENTIONED.

OWNER/OCCUPANT & DATE

OWNER/OCCUPANT & DATE

MITTS TERMITE CONTROL INC

427 San Pablo Avenue
Albany, CA 94706

Ph: (510) 525-2202 Fax: (510) 525-1028



WORK AUTHORIZATION CONTRACT

Address of Property: 5932 Mauritania Avenue, Oakland, CA, 94605
Inspection Date: 08/08/2006
Report #: 261062
Title Co. & Escrow #:

SECTION 1

1A: \$ 300.00
1B: \$ 1100.00
1C: \$ 800.00
1D: \$ 1600.00
1E: \$ 550.00
3A: \$ 2275.00
4A: \$ 400.00
5A: \$ 3700.00
6A: \$ 1200.00

SECTION 2

1F: PLUMBER

FURTHER INSPECTION

RECEIVED AND READ
NUMBER OF PAGES 11

NAME _____ DATE _____

NAME _____ DATE _____

We Authorize the Following
Section 1 Items to be Performed.

1A, 1B, 1C, 1D, 1E, 3A, 4A, 5A, 6A

We Authorize the Following
Section 2 Items to be Performed.

1F

We Authorize the Following
Items for Further Inspection.

Proposed Cost Section 1: \$ 11925.00

Proposed Cost Section 2: \$ 0.00

Proposed Cost Fur. Insp.: \$ 0.00

PERMIT & FEES: \$ 1300.00

SMOKE DETECTORS: \$ 150.00

Total - All Sections: \$ 13375.00

NOTICE TO OWNERS: Under California Mechanics Lien Law any structural pest control company which contracts to do work for you any contractor, subcontractor, laborer, supplier or other person who helps to improve your property but is not paid for his or her work or supplies has a right to enforce a claim against your property. This means that, after a court hearing, your property could be sold by the court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural pest control company in full, if the subcontractor, laborer, or supplier remains unpaid. To preserve their right to file a claim or lien against your property, certain claimants such as contractors or material suppliers are required to provide you with a document entitled "Preliminary Notice." A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.

I have read this work authorization contract and WDO inspection report it refers to.

SIGNED WORK AUTHORIZATION CONTRACT MUST BE RECEIVED BEFORE WORK WILL BE SCHEDULED.

I have read and understand the terms of this work authorization contract and hereby agree to all terms thereof.

APPROVED AND READ BY: _____

DATE _____

ACCEPTED FOR: _____

DATE _____

MITTS TERMITE CONTROL INC

MITTS TERMITE CONTROL INC
427 San Pablo Avenue
Albany, CA 94706
Ph: (510) 525-2202 Fax: (510) 525-1028



WORK AUTHORIZATION CONTRACT

Address of Property: 5932 Mauritania Avenue, Oakland, CA, 94605
Inspection Date: 08/08/2006
Report #: 261062
Title Co. & Escrow #:

OUR MINIMUM CHARGE FOR REPAIRS IS \$300.00

All prices quoted are subject to acceptance within 30 days. If for any reason work authorization does not meet with your complete satisfaction or conform to known data, please do not sign this contract.

NOTE: Prices quoted for the above items are subject to change if all work is not performed by this firm.

Terms under this contract are net cash upon completion unless otherwise stated. PAYMENT IS TO BE MADE PAYABLE TO MITTS TERMITE CONTROL, INC. UPON DEMAND ONCE NOTICE OF WORK COMPLETED HAS BEEN ISSUED. There is a 1 1/2 % service charge per month on overdue accounts. If additional work, other than specified in the report is required by the City or County Building Inspector, it will not be performed under this agreement. A separate quotation will be made if desired.

NOTE: We reserve the right to require payment in three equal parts, from Escrow Company, person or persons responsible for payment. This is to be paid in this manner: 1/3 upon commencement of work, 1/3 upon mid-point (to be determined by this company) and 1/3 upon issuance of Notice of Work Completed.

SHOULD LEGAL ACTION BE NECESSARY TO COLLECT THIS SUM, OR ANY OTHER PORTION THEREOF, MITTS TERMITE CONTROL, INC. SHALL BE ENTITLED TO REASONABLE ATTORNEY'S FEES AND COSTS OF LITIGATION.

MOLD DISCLAIMER

There may be health related issues associated with the structural repairs reflected in the inspection report referenced by this Work Authorization Contract. These health issues include but are not limited to the possible release of mold spores during the course of repairs. We are not qualified to and do not render any opinion concerning such health issues or any special precautions. Any questions concerning health issues or any special precautions to be taken prior to or during the course of such repairs should be directed to a Certified Industrial Hygienist before any such repairs are undertaken.

BY EXECUTING THIS WORK AUTHORIZATION CONTRACT, CUSTOMER ACKNOWLEDGES THAT HE OR SHE HAS BEEN ADVISED OF THE FOREGOING AND HAS HAD THE OPPORTUNITY TO CONSULT WITH A QUALIFIED PROFESSIONAL.

Customer's Initials Date

I/We hereby enter into this contract and agree that Mitts Termite Control, Inc. is instructed to perform the work that is described above.

Seller: _____

Telephone # _____

Buyer: _____

Telephone # _____

**HOLD HARMLESS AGREEMENT
PEST CONTROL**

Dated: _____ for property located at 5932 Mountain Oakland, by
and between _____, as Buyer(s)
and Elaine and Marc Cull, as Seller(s).

The undersigned buyers have agreed to assume full responsibility for Structural Pest Control Work (AKA: Termite Clearance) after close of escrow. Further, buyer acknowledges that they are aware that if the completion of the work is delayed, more damage could occur and therefore costs for repairs and clearance could exceed the quote by Mulla's Termite, dated Aug 8, 2006 in the amount of 11,935+ per mts+ fees for section I and in the amount of PO, called plumber out for Section II. If buyers choose to have work completed by a general contractor other than a Structural Pest Control Company, further damage may be discovered and a general contractor most likely will **not assume responsibility for additional work** which may be covered by the Structural Pest Control Company making the original report, had they been contracted to complete the work.

The GRUBB Co. in no way recommends that a buyer accept responsibility for or close escrow when a Pest Control report contains a recommendation for a further inspection under Section III that has not been fully investigated.

Further, in order to obtain a notice of work completed / Pest Control Certification ("clearance"), a pest control company will have to be employed to inspect and "clear" the property and will charge an inspection fee of approximately \$150-\$225 and will note in said written "clearance" that work was done by "others" and they "**do not guarantee said work**". Also, there is no guarantee that they will "clear" the work. There is always the chance that the work done by "others" was not performed correctly (in accordance with pest control standards).

For these reasons, The GRUBB Co. recommends that any pest control repairs be completed by a reputable pest control company. Buyer acknowledges the risks of having work done by "others" and holds the sellers, The GRUBB Co. and the selling broker (if applicable) harmless and relieves them of any liability relating to the completion of pest control work.

The undersigned has read and approved and received a copy hereof, and has read received and approved a copy of Structural Pest Control Report noted above:

Marc Cull
Seller _____ Date _____

Buyer _____ Date _____

Elaine Cull
Seller _____ Date _____

Buyer _____ Date _____

I found the booklet, *The Homeowner's Guide to Environmental Hazards and Earthquake Safety (with gas shut-off valve update)* which includes the *Federal Lead booklet and Toxic Mold Update*:

- Helpful
- Too detailed
- Not detailed enough
- Clearly written
- Confusing
- The booklet helped me to locate earthquake weaknesses in my home.
- I have strengthened my home to resist earthquakes.
- I plan to fix my home's earthquake weaknesses.
- The booklet helped me find out that my home did not have any earthquake weaknesses.

The year my home was built was _____.

Comments: _____

We Want To Hear From You!

California Seismic Safety Commission
1900 K Street, Suite 100
Sacramento, California 95814-4186

To Whom It May Concern: I have received a copy of the Environmental Hazards and Earthquake Safety (with gas shut-off valve update) which includes the Federal Lead booklet and Toxic Mold Update.

Property Address: 5932 Hawthorn Oakland

Date 7/13/06 Time 7:25p [Signature] Mari Cull
(signature) (printed name)

Date 18 Jun 06 Time 8:00p [Signature] Flaine Cull
(signature) (printed name)

NOTE: For applicable transactions, it is also necessary to complete C.A.R. Standard form FLD-11 (Lead-based paint and Lead-based paint Hazards Addendum, Disclosure and Acknowledgement).

Official C.A.R.* Publication 5/05

To Whom It May Concern: I have received a copy of the Environmental Hazards and Earthquake Safety (with gas shut-off valve update) which includes the Federal Lead booklet and Toxic Mold Update.

Property Address: _____

Date _____ Time _____ (signature) (printed name)

Date _____ Time _____ (signature) (printed name)

NOTE: For applicable transactions, it is also necessary to complete C.A.R. Standard form FLD-11 (Lead-based paint and Lead-based paint Hazards Addendum, Disclosure and Acknowledgement).

Official C.A.R.* Publication 5/05



NOTICE OF YOUR "SUPPLEMENTAL" PROPERTY TAX BILL
(C.A.R. Form SPT, 10/05)

Name of Buyer(s) _____

Property Address 5932 Hawthorne Oakland, Ca 94605

Pursuant to Civil Code §1102.6c, Seller or his or her agent is providing this "Notice of Your 'Supplemental' Property Tax Bill":

"California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes.

The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector.

If you have any question concerning this matter, please call your local Tax Collector's Office."

Buyer acknowledges Buyer has read, understands and has received a copy of this "Notice of Your 'Supplemental' Property Tax Bill".

Buyer _____ Date _____

Buyer _____ Date _____

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525 South Virgil Avenue, Los Angeles, California 90020





First American Title Company

2089 Rose Street
Berkeley, CA 94709

Escrow Officer: Renee Haugen (RH)
Phone: (510)548-2565
Fax No.: (510)527-2085
E-Mail: rhaugen@firstam.com
E-Mail Loan Documents to: edocs.berkeley@firstam.com
Owner: Cull
Property: 5932 Mauritania Avenue
Oakland, CA 94605

RECEIVED AND READ
NUMBER OF PAGES 18

NAME _____ DATE _____
NAME _____ DATE _____

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 of said Policy or Policies are set forth in Exhibit A attached. Copies of the Policy forms should be read. They are available from the office which issued this report.

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

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

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

Dated as of July 31, 2006 at 7:30 A.M.

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

Eagle Protection Policy (1998) (CLTA/ALTA Homeowner's Policy of Title Insurance) if the land described is an improved residential lot or condominium unit on which there is located a one to four family residence, or ALTA Owner's Policy (1992) with Regional Exceptions if the land described is an unimproved residential lot; ALTA Loan Policy (1992) with ALTA Endorsement-Form 1 Coverage with Eagle Protection Added.

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:

MARC JEREMY CULL AND ELAINE ALISON CULL, HUSBAND AND WIFE, AS JOINT TENANTS

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

A 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 2006-2007, 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. The lien of bonds and assessment liens, if applicable, collected with the general and special taxes.
4. Any and all offers of dedication, conditions, restrictions, easements, fenceline/boundary discrepancies, notes and/or provisions shown or disclosed by the filed or recorded map referred to in the legal description.

5. A deed of trust to secure an original indebtedness of \$360,000.00 recorded SEPTEMBER 17, 2004 as INSTRUMENT NO. 2004421486 of Official Records.

Dated: SEPTEMBER 07, 2004

Trustor: MARC JEREMY CULL AND ELAINE ALISON CULL, HUSBAND AND WIFE

Trustee: CALIFORNIA RECONVEYANCE COMPANY

Beneficiary: WASHINGTON MUTUAL BANK, FA, A FEDERAL ASSOCIATION

6. A deed of trust to secure an original indebtedness of \$45,000.00 recorded SEPTEMBER 17, 2004 as INSTRUMENT NO. 2004421487 of Official Records.

Dated: SEPTEMBER 13, 2004

Trustor: MARC JEREMY CULL AND ELAINE ALISON CULL, HUSBAND AND WIFE, AS JOINT TENANTS

Trustee: OLD REPUBLIC TITLE CO, A CALIFORNIA CORPORATION

Beneficiary: WASHINGTON MUTUAL BANK, FA, A FEDERAL ASSOCIATION AND ITS SUCCESSORS OR ASSIGNS

INFORMATIONAL NOTES

1. Taxes for proration purposes only for the fiscal year 2005-2006 (SECURED).
First Installment: \$3,262.73, PAID
Second Installment: \$3,262.73, PAID
Tax Rate Area: 17-001
APN: 037A-2742-056

2. Taxes for proration purposes only for the fiscal year 2004-2005 (SUPPLEMENTAL).
First Installment: \$1,151.99, PAID
Second Installment: \$1,151.99, PAID
Tax Rate Area: 17-001
APN: 037A-2742-056

3. This report is preparatory to the issuance of an ALTA Loan Policy. We have no knowledge of any fact which would preclude the issuance of the policy with CLTA endorsement forms 100 and 116 and if applicable, 115 and 116.2 attached.

When issued, the CLTA endorsement form 116 or 116.2, if applicable will reference a(n) Single Family Residence known as 5932 Mauritania Avenue, Oakland, California.

4. 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.

5. 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 SEPTEMBER 17, 2004 as INSTRUMENT NO. 2004421485 of Official Records.
From: PHILLIP D. COMPTON AND TRINA COMPTON, HUSBAND AND WIFE
To: MARC JEREMY CULL AND ELAINE ALISON CULL, HUSBAND AND WIFE,
AS JOINT TENANTS

6. Short term rate applies.

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 Oakland, County of Alameda, State of California, described as follows:

LOT 65, IN BLOCK 12 OF MAP OF CHEVROLET PARK, FILED APRIL 21, 1916, BOOK 14 OF MAPS,
AT PAGE 28, RECORDS OF SAID COUNTY.

APN: 037A-2742-056

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.

If you have any questions about the effect of this new law, please contact your local First American Office for more details.

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

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

EXCEPTIONS FROM COVERAGE

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

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

EXCLUSIONS FROM COVERAGE

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

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

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

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

created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

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

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

SCHEDULE B

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

Part One

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

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

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

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

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

SCHEDULE B

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

Part One

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

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

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

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

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

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

SCHEDULE B

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

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

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

EXCLUSIONS FROM COVERAGE

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

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

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

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

SCHEDULE B

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

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

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

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

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:

* land use	* land division
* improvements on the land	* environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.
This exclusion does not limit the zoning coverage described in items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:
 - * a notice of exercising the right appears in the public records on the Policy Date
 - * the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking.
3. Title Risks:
 - * that are created, allowed, or agreed to by you
 - * that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
 - * that result in no loss to you
 - * that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
 - * to any land outside the area specifically described and referred to in Item 3 of Schedule A, or
 - * in streets, alleys, or waterways that touch your land
 This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

11. EAGLE PROTECTION OWNER'S POLICY

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 1998

ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE - 1998

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

EXCLUSIONS

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

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:

a. building	b. zoning
c. land use	d. improvements on the land
e. land division	f. environmental protection

This exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.
This exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
 - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
 - b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.
 This exclusion does not limit the coverage described in Covered Risk 11 or 18.

12. SECOND GENERATION EAGLE LOAN POLICY AMERICAN LAND TITLE ASSOCIATION EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or area of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14 and 16 of this policy.

- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14 and 16 of this policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.
 3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or
 - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
 4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with 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, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
 6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8 (e) and 26.
 7. 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 limit the coverage provided in Covered Risk 8.
 8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting title, the existence of which are Known to the Insured at:
 - (a) The time of the advance; or
 - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification.
 This exclusion does not limit the coverage provided in Covered Risk 8.
 9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

SCHEDULE B

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

1. The following existing statutes, reference to which are made part of the ALTA 8.1 Environmental Protection Lien Endorsement incorporated into this Policy following item 28 of Covered Risks: NONE.

13. SECOND GENERATION EAGLE LOAN POLICY AMERICAN LAND TITLE ASSOCIATION EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01) WITH REGIONAL EXCEPTIONS

When the American Land Title Association loan policy with EAGLE Protection Added is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 12 above are used and the following exceptions to coverage appear in the policy.

SCHEDULE B

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

Part One:

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

Part Two:

1. The following existing statutes, reference to which are made part of the ALTA 8.1 Environmental Protection Lien Endorsement incorporated into this Policy following item 28 of Covered Risks: None.

"You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between **May 19, 1995 and October 8, 2002**. If you had more than one qualifying transaction, you may be entitled to multiple discounts. If your previous transaction involved the same property that is the subject of this Preliminary Report, you do not have to do anything; First American will provide the discount directly to you within a few weeks, not through your closing. If your previous transaction involved property different from the property that is the subject of your current transaction, you must inform First American of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount. Please mail to Claims Administrator, 2 First American Way, Santa Ana, CA 92707.

Unless you inform First American of the prior transaction on a property that is not the subject of this transaction, First American has no obligation to conduct an investigation to determine if you qualify for a discount. If you provide First American information concerning a prior transaction, First American is required to determine if you qualify for a discount."

"Escrow Services" shall be defined as either title premium or escrow fee payable by you in connection with this transaction. In the event you are entitled to a credit but are not responsible for paying either a title premium or an escrow fee at the close of this transaction, then no credit can be given.

PRIVACY POLICY

We Are Committed to Safeguarding Customer Information

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

Applicability

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

Types of Information

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

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

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

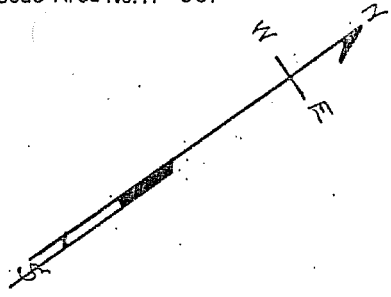
Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

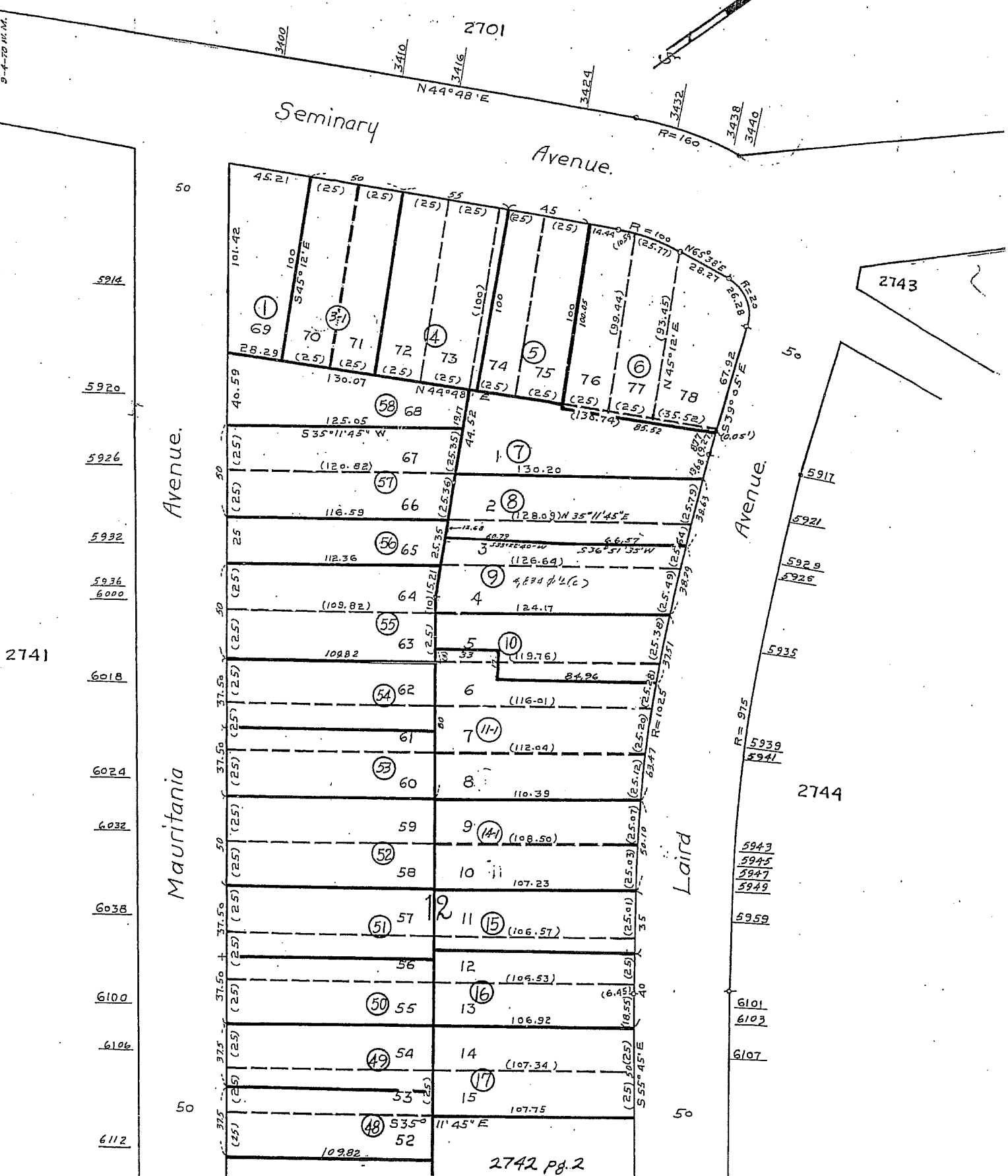
2742

Chevrolet Park. (BK. 14 Pg. 28)
Scale 1 in = 40 ft.

Page 1.



REV. 3-6-61 A.S.
9-4-70 H.M.



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