

## EXHIBIT A

The land referred to is situated in the County of Monterey, City of Seaside, State of California, and is described as follows:

Lots 179 and 181, in Block 3, as shown on the Map entitled, "MapNo. 3 Del Monte Heights," filed January 8, 1909 in the Office of the County Recorder of the County of Monterey, State of California, in Volume 2 of Maps, Cities and Towns, at Page 12.

APN: 012-854-021



**OLD REPUBLIC**  
TITLE COMPANY

200 Clock Tower Place, Suite E100  
Carmel, CA 93923  
(831) 625-3880 Fax: (831) 625-5609

## PRELIMINARY REPORT

JAMES FRANGELLA REAL ESTATE  
490 Orange Avenue Ste D  
Sand City, CA 93955

Our Order Number 0723011010-PC

Customer Reference KRISTL

Attention: JAMES FRANGELLA

When Replying Please Contact:

Patty Castellanos  
pcastellanos@ortc.com  
(831) 625-3880

Property Address:

1840 Soto Street, Seaside, CA 93955

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

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

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

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

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

Dated as of March 11, 2014, at 7:30 AM

**OLD REPUBLIC TITLE COMPANY**  
For Exceptions Shown or Referred to, See Attached

OLD REPUBLIC TITLE COMPANY  
ORDER NO. 0723011010-PC

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

Homeowner's Policy of Title Insurance - 2010; and ALTA Loan Policy - 2006. A specific request should be made if another form or additional coverage is desired.

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

Fee

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

Roman Kristl and Claire A. Kristl, husband and wife as community property with right of survivorship

The land referred to in this Report is situated in the County of Monterey, City of Seaside, State of California, and is described as follows:

Lots 179 and 181, in Block 3, as shown on the Map entitled, "MapNo. 3 Del Monte Heights," filed January 8, 1909 in the Office of the County Recorder of the County of Monterey, State of California, in [Volume 2 of Maps, Cities and Towns, at Page 12](#).

APN: 012-854-021

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

1. Taxes and assessments, general and special, for the fiscal year 2014 - 2015, a lien, but not yet due or payable.
  
2. Taxes and assessments, general and special, for the fiscal year 2013 - 2014, as follows:  

Assessor's Parcel No	:	012-854-021	
Code No.	:	019-009	
1st Installment	:	\$1,551.58	Marked Paid
2nd Installment	:	\$1,551.58	NOT Marked Paid
Land Value	:	\$100,000.00	
Imp. Value	:	\$190,000.00	
  
3. Supplemental taxes, general and special, for the fiscal year 2012 - 2013 (triggered by change of ownership on September 25, 2012) as follows:

Assessor's Parcel No.	:	012-854-021	
1st Installment	:	\$137.92	Marked Paid
2nd Installment	:	\$137.92	Marked Paid

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4. Supplemental taxes, general and special, for the fiscal year 2012 - 2013 (triggered by change of ownership on May 23, 2013) as follows:

Assessor's Parcel No.	:	012-854-021	
1st Installment	:	\$12.59	Marked Paid
2nd Installment	:	\$12.59	Marked Paid

5. Supplemental taxes, general and special, for the fiscal year 2013 - 2014 (triggered by change of ownership on May 23, 2013) as follows:

Assessor's Parcel No.	:	012-854-021	
1st Installment	:	\$155.55	Marked Paid
2nd Installment	:	\$155.55	Marked Paid

6. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

7. Assessments that may be levied, as follows:

By	:	Monterey Regional Water Pollution Control Agency
For	:	Sewer Charges
For More Information Contact	:	Monterey Regional Water Pollution Control Agency at 831-372-2385

8. Redevelopment Plan, as follows:

Entitled	:	Redevelopment Plan-Hannon
Executed By	:	City of Seaside
Recorded	:	February 5, 1965 in Reel 388 of Official Records, Page 775

And any amendments thereto.

9. Matters as contained or referred to in an instrument,

Entitled	:	Property Rehabilitation Standards Hannon Redevelopment Project
Executed By	:	City of Seaside
Recorded	:	<a href="#">February 17, 1965 in Reel 390 of Official Records, Page 375 under Recorder's Series Number 58569</a>

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10. Matters as contained or referred to in an instrument,

Entitled : Resolution No. 62-26 Declaring Condition-Hannon Redevelopment Project

Executed By : City of Seaside

Recorded : [July 21, 1965 in Reel 416 of Official Records, Page 165 under Recorder's Series Number 81068](#)

Which Among Other Things Provides : "Upon completion of said planning, it is planned to acquire certain properties within said Hannon Project by a negotiation and/or eminent domain proceedings."

"It is necessary that prospective purchasers of property within said Hannon Redevelopment area be advised and aware of the facts set out herein."

11. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : Redevelopment Plan-Hannon

Executed by : Redevelopment Agency of the City of Seaside

Dated : January 7, 1965

Recorded : [September 22, 1966 in Reel 477 of Official Records, Page 557 under Recorder's Series Number G 25827](#)

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

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12. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : Declaration of Restrictions  
Executed by : Redevelopment Agency of the City of Seaside  
Recorded : [October 27, 1966 in Reel 481 of Official Records, Page 504 under Recorder's Series Number G 28661](#)

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

13. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : Declaration of Restrictions  
Executed by : Redevelopment Agency of the City of Seaside  
Recorded : [September 22, 1969 in Reel 621 of Official Records, Page 943](#)

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

14. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following
- Instrument : Grant Deed  
Granted To : City of Seaside, a municipal corporation  
For : Street, sidewalk, planting and utility purposes  
Dated : February 7, 1969  
Recorded : [February 17, 1969 in Reel 593 of Official Records, Page 459 under Recorder's Series Number G 04114](#)  
Affects : Easterly 2 feet
15. Any claim of lien for services, labor or material arising from an improvement or work under construction or completed at the date hereof.
16. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
17. The requirement that this company be provided with a suitable Owner's Declaration from the Seller (form ORT 174). The Company reserves the right to make additional exceptions and/or requirements upon review of the Owner's Declaration.
18. The requirement that this Company be provided with an opportunity to inspect the land. The Company reserves the right to make additional exceptions and/or requirements upon completion of its inspection.
19. The Homeowner's Policy applies only if each insured named in Schedule A is a Natural Person (as Natural Person is defined in said policy). If each insured to be named in Schedule A is not such a Natural Person, contact the Title Department immediately.

----- **Informational Notes** -----

- A. The applicable rate(s) for the policy(s) being offered by this report or commitment appears to be section(s) 1.1 and 2.1.

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- B. The above numbered report (including any supplements or amendments thereto) is hereby modified and/or supplemented to reflect the following additional items relating to the issuance of an American Land Title Association loan form policy:

NONE

NOTE: Our investigation has been completed and there is located on said land a single family residence known as 1840 Soto Street, Seaside, CA 93955.

The ALTA loan policy, when issued, will contain the CLTA 100 Endorsement and 116 series Endorsement.

Unless shown elsewhere in the body of this report, there appear of record no transfers or agreements to transfer the land described herein within the last three years prior to the date hereof, except as follows:

Trustee's Deed Upon Sale executed by Executive Trustee Services, LLC dba ETS Services LLC to Nationstar Mortgage recorded [September 25, 2012 in Official Records under Recorder's Series Number 2012056550](#).

Grant Deed executed by Nationstar Mortgage, LLC to Roman Kristl and Claire A. Kristl, husband and wife as community property with right of survivorship recorded [May 23, 2013 in Official Records under Recorder's Series Number 2013032829](#).



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C. Effective October 1<sup>st</sup>, 2013, recording service fees for the types of transactions listed below are as follows:

Finance transactions - \$105.00 to record all documents necessary to close and issue the required title insurance policy(ies).

Sale transactions - \$130.00 to record all documents necessary to close and issue the required title insurance policy(ies).

Commercial transactions - \$20.00 recording service fee plus all actual charges required by the County Recorder.

All Cash transactions - \$50.00 to record all cash, non-commercial, sale transactions wherein no new deed of trust is recorded.

O.N.

If you anticipate having funds wired to Old Republic Title Company, our wiring information is as follows: Union Bank, 1980 Saturn Street, Monterey Park, CA 91755 credit to the account of Old Republic Title Company, Account Number 0010424631, ABA Number 122000496.

When instructing the financial institution to wire funds, it is very important that you reference Old Republic Title's Order Number 0723011010.

**ON-LINE BANKING TRANSFERS ARE NOT THE SAME.**

"Electronic Funds Transfer" is a generic term for funds transfers, one of which is an ACH Transfer. On-line banking transfers are often completed through an ACH Transfer, not a Wire Transfer. Old Republic Title rejects all ACH Transfers and returns the funds to the sender (Government Entities/Agencies excluded.) Close of Escrow may be significantly delayed as a result of an ACH Transfer.

**OLD REPUBLIC TITLE DOES NOT AUTHORIZE FUNDS TO BE DEPOSITED DIRECTLY INTO OUR ACCOUNT AT Union Bank LOCAL BRANCH LOCATIONS.**

Funds deposited directly into an account of Old Republic Title Company at a Union Bank branch are subject to verification. Verification of unauthorized deposits is not immediate or automated following deposit. Delay in credit of funds to an escrow and delay in Close of Escrow may result.

If you want to transfer funds by Wire Transfer from a non-United States financial institution, or have questions with regard to acceptable funds, please contact your Escrow or Title Officer immediately.

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02/03/10)  
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE  
EXCLUSIONS**

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

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
  - a. building;
  - b. zoning;
  - c. land use;
  - d. improvements on the Land;
  - e. land division; and
  - f. environmental protection.

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

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.

5. Failure to pay value for Your Title.

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 21.

7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

**LIMITATIONS ON COVERED RISKS**

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

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

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

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1.00% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 18:	1.00% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00

**AMERICAN LAND TITLE ASSOCIATION  
LOAN POLICY OF TITLE INSURANCE - 2006  
EXCLUSIONS FROM COVERAGE**

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

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

**EXCEPTIONS FROM COVERAGE – SCHEDULE B, PART 1, SECTION ONE**

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

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

## Old Republic Title Company

### Privacy Policy Notice

#### PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Old Republic Title Company

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms.

- Information about your transactions we secure from our files, or from [our affiliates or] others.

- Information we receive from a consumer reporting agency.

- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.

- Non-financial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

## **Disclosure to Consumer of Available Discounts**

Section 2355.3 in Title 10 of the California Code of Regulation necessitates that Old Republic Title Company provide a disclosure of each discount available under the rates that it, or its underwriter Old Republic National Title Insurance Company, have filed with the California Department of Insurance that are applicable to transactions involving property improved with a one to four family residential dwelling.

You may be entitled to a discount under Old Republic Title Company's escrow charges if you are an employee or retired employee of Old Republic Title Company including its subsidiary or affiliated companies or you are a member in the California Public Employees Retirement System "CalPERS" or the California State Teachers Retirement System "CalSTRS" and you are selling or purchasing your principal residence.

If you are an employee or retired employee of Old Republic National Title Insurance Company, or its subsidiary or affiliated companies, you may be entitled to a discounted title policy premium.

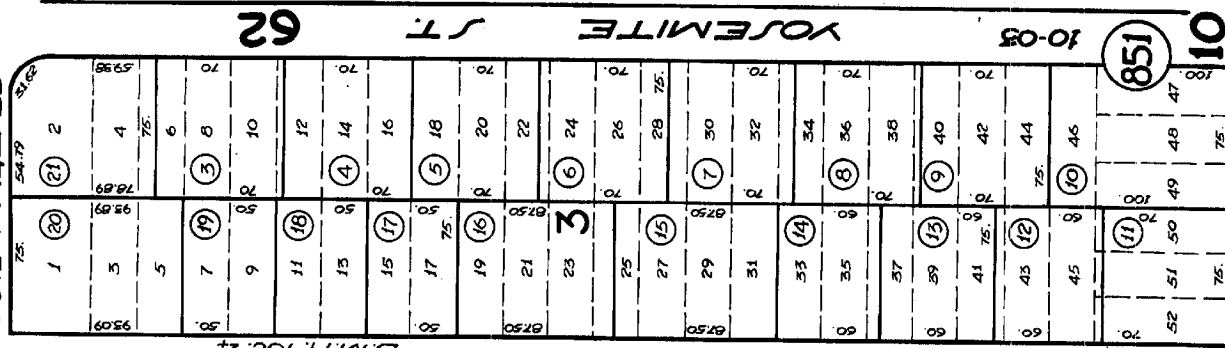
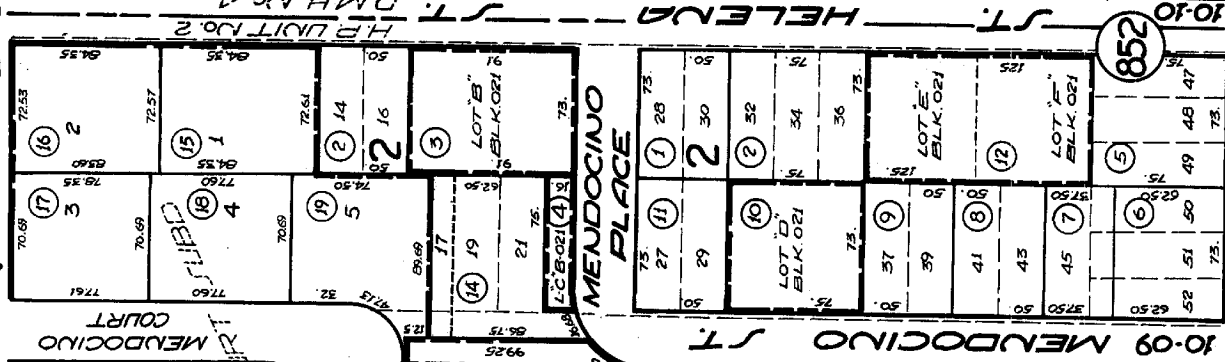
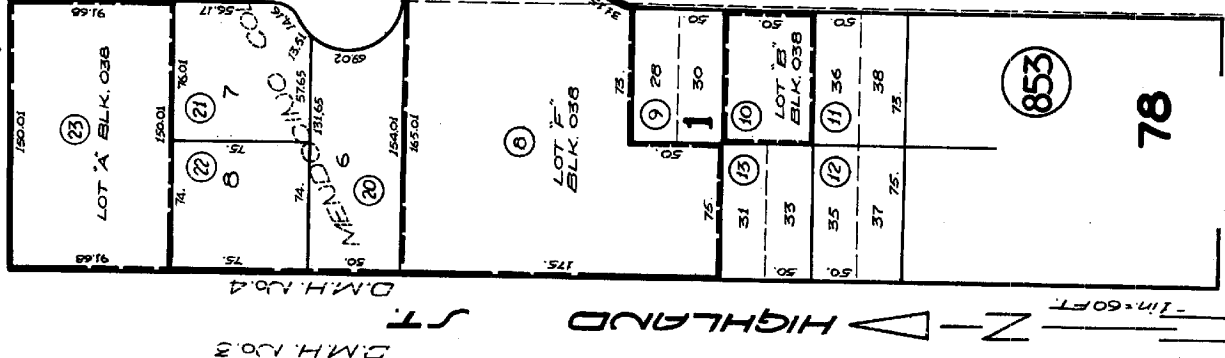
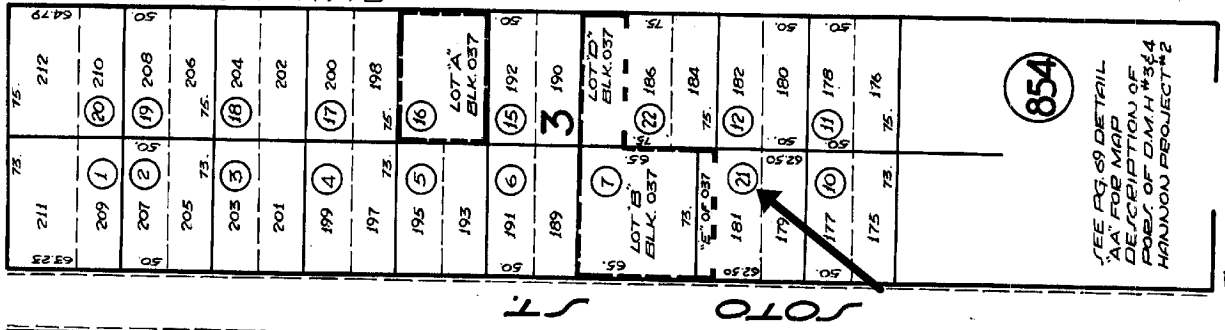
Please ask your escrow or title officer for the terms and conditions that apply to these discounts.

A complete copy of the Schedule of Escrow Fees and Service Fees for Old Republic Title Company and the Schedule of Fees and Charges for Old Republic National Title Insurance Company are available for your inspection at any Old Republic Title Company office.

C.A. 10-03, 09, 10  
BOOK 012 PAGE 85

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LA SALLE AVE.



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856

854

78

852

851

"NOTICE: This is neither a plat nor a survey. It is furnished merely as a convenience to aid you in locating the land indicated hereon with reference to streets and other land. No liability is assumed by reason of any reliance hereon."