



First American Title™

First American Title Company

California Department of Insurance License No. 2549-4

Escrow Officer:	Kristine Randolph
Phone:	(805)687-1581
Fax No.:	(866)720-4483
Email:	krandolph@firstam.com
Title Officer:	Bridget Foss / Kathleen Mayer
Phone:	(805)569-6154
Fax No.:	(866)397-7090
E-Mail:	CentralCoastTitleTeam@firstam.com

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

Buyer:	TBD
Owner:	RDC Farming LLC
Property:	1505 Camino Meleno Santa Barbara, CA 93111

PRELIMINARY REPORT

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

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

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

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

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

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

Dated as of January 30, 2025 at 7:30 A.M.

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

To Be Determined

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

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

RDC Farming, LLC, a Delaware limited liability company, successor by conversion to RDC Farming, LLC, a Delaware limited liability company

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

A FEE AS TO PARCEL(S) A, AN EASEMENT AS TO PARCEL(S) B, C, D, AND E

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 2025-2026, a lien not yet due or payable.
- 2. General and special taxes and assessments for the fiscal year 2024-2025.

First Installment:	██████████	PAID
Penalty:	\$0.00	
Second Installment:	██████████	OPEN
Penalty:	\$0.00	
Tax Rate Area:	66-059	
A. P. No.:	153-400-001	

- 3. General and special taxes and assessments for the fiscal year 2024-2025.

First Installment:	██████████	PAID
Penalty:	\$0.00	
Second Installment:	██████████	OPEN
Penalty:	\$0.00	
Tax Rate Area:	66-059	
A. P. No.:	153-400-003	

4. General and special taxes and assessments for the fiscal year 2024-2025.

First Installment:		PAID
Penalty:	\$0.00	
Second Installment:		OPEN
Penalty:	\$0.00	
Tax Rate Area:	66-056	
A. P. No.:	153-400-006	

5. General and special taxes and assessments for the fiscal year 2024-2025.

First Installment:		PAID
Penalty:	\$0.00	
Second Installment:		OPEN
Penalty:	\$0.00	
Tax Rate Area:	66-024	
A. P. No.:	153-400-011	

6. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.

7. An easement for public utilities and incidental purposes, recorded March 6, 1930 as Instrument No. 2149 in [Book 206, Page 144](#) of Official Records.

In Favor of: Southern California Edison, a California corporation
Affects: As described therein

Terms and provisions contained in the above document.

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

8. An easement for public utilities and incidental purposes, recorded May 25, 1960 as Instrument No. [16694](#) in Book 1746, Page 350 of Official Records.

In Favor of: Southern California Edison, a California corporation
Affects: As described therein

Terms and provisions contained in the above document.

9. An easement for road, ingress, egress and incidental purposes, recorded April 13, 1962 as Instrument No. [15067](#) in Book 1918, Page 758 and May 14, 1962 as Instrument No. [19739](#) in Book 1927, Page 78, both of Official Records.

In Favor of: The County of Santa Barbara
Affects: As described therein

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

10. Conditions, Provisions and Limitations in a Deed,

Executed by: County of Santa Barbara, a Body Politic and Corporate
Recorded: August 30, 1963, as Instrument No. [37384](#), in Book 2010, Page 449 of Official Records.
11. Terms, provisions, covenants, restrictions and conditions contained in a document executed pursuant to the California Land Conservation Act of 1965 (Williamson Act) and recorded February 22, 1977 as Instrument No. [8192](#) of Official Records.
12. An easement for public utilities and incidental purposes, recorded February 16, 1978 as Instrument No. [7530](#) of Official Records.
In Favor of: Southern California Edison, a California corporation
Affects: As described therein
13. Conditions and Requirements imposed by the County of Santa Barbara as set forth on said Parcel Map No. 12,839 recorded May 01, 1979 in [Book 22, Pages 42 through 44](#) of Parcel Maps.
14. An easement for public utilities and incidental purposes, recorded May 29, 1979 as Instrument No. [23797](#) of Official Records.
In Favor of: Southern California Edison, a California corporation
Affects: As described therein
15. An easement for public utilities and incidental purposes, recorded May 19, 1980 as Instrument No. [20129](#) of Official Records.
In Favor of: Southern California Gas Company, a corporation
Affects: As described therein
16. An easement for public utilities and incidental purposes, recorded June 4, 1980 as Instrument No. [80-22095](#) of Official Records.
In Favor of: Southern California Edison, a California corporation
Affects: As described therein

Affects: The land and other property.
17. An easement for public utilities and incidental purposes, recorded July 7, 1989 as Instrument No. [89-44411](#) of Official Records.
In Favor of: Southern California Edison, a California corporation
Affects: As described therein

18. An easement shown or dedicated on the Map as referred to in the legal description
- For: Private Waterlines and for Private Ingress and Egress; Irrigation Lines and Domestic Water Lines; Recreation and Water Company Usage; non-exclusive easement for Private Ingress and Egress and public utilities and incidental purposes.
19. Residential Development Envelopes as shown on map recorded in [Book 64, Page\(s\) 62 through 75](#) inclusive, of Parcel Maps, in the Office of the County Recorder of said county.
20. The terms and provisions contained in the document entitled "Notice" recorded June 6, 2014 as Instrument No. [2014-0025764](#) of Official Records.
21. Covenants, conditions, restrictions and easements in the document recorded December 19, 2014 as Instrument No. [2014-0058540](#) of Official Records, but deleting any covenant, condition, or restriction, if any, indicating a preference, limitation, or discrimination based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, handicap, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, to the extent that such covenants, conditions or restrictions violate applicable state or federal laws. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.
22. An easement for Recreations purpose and for the use, operation, maintenance, repair and replacement of water facilities, including a reservoir, well-sites, pumps, pipelines and related equipment as is reasonably necessary for grantee to produce, store, and deliver water to the property and incidental purposes, recorded December 19, 2014 as Instrument No. [2014-0058565](#) of Official Records.
- In Favor of: Santa Barbara Mountain Water Company, LLC, a California limited liability company
- Affects: As described therein
23. The terms, provisions and easement(s) contained in the document entitled "Pipeline Easement Agreement" recorded December 19, 2014 as Instrument No. [2014-0058566](#) of Official Records.
24. Terms, provisions, covenants, restrictions and conditions contained in a document executed pursuant to the California Land Conservation Act of 1965 (Williamson Act) and recorded December 21, 2015 as Instrument No. [2015-65829](#) of Official Records.
25. A financing statement recorded NOVEMBER 08, 2016 as INSTRUMENT NO. [2016-0059899](#) of Official Records.
- Debtor: RDC FARMING LLC
- Secured party: HERITAGE OAKS BANK
- A continuation statement was recorded MAY 25, 2021 as INSTRUMENT NO. [2021-0039905](#) of Official Records.

26. Open Space easement for park area granted to and accepted by County of Santa Barbara by Grant Deed recorded April 13, 1962 as Instrument No. [1962-015067](#). Subsequent PM 18/13, PM 22/42 & PM 64/62 fail to show easement. Area has been rezoned for agricultural purposes, but no documents show County has abandoned easement as shown on Assessor's Map [Book 153, Page 40](#).

27.



28. Any easements and/or servitudes affecting easement parcel(s) B, C, D AND E herein described.
29. Any claim that the Title is subject to a trust or lien created under The Perishable Agricultural Commodities Act, 1930 (7 U.S.C. §§499a, et seq.) or the Packers and Stockyards Act (7 U.S.C. §§181 et seq.) or under similar state laws.
- Consideration for the deletion of this exception is highly fact intensive. Please contact the underwriter assigned to your file as soon as possible to discuss.
30. Rights of the public in and to that portion of the Land lying within any Road, Street, Alley or Highway.
31. Water rights, claims or title to water, whether or not shown by the Public Records.
32. The new lender, **if any**, for this transaction may be a Non-Institutional Lender. If so, the Company will require the Deed of Trust to be signed before a **First American approved notary**.
33. Rights of parties in possession.

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

34. With respect to RDC Farming, LLC, a Delaware limited liability company:
- A copy of its operating agreement or similar document and any amendments thereto;
 - A official copy of its articles of organization or similar incorporation document and any corrections, amendments or restatements thereto;
 - Evidence that the limited liability company is properly formed and is in good standing in the state of its domicile;
 - Other requirements which the Company may impose following its review of the material required herein and other information which the Company may require.

INFORMATIONAL NOTES

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

1. According to the latest available equalized assessment roll in the office of the county tax assessor, there is located on the land a(n) Commercial Structure known as 1505 Camino Meleno, Santa Barbara, CA 93111.
2. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:

None

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

LEGAL DESCRIPTION

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

Parcel A:

Parcel 2 of PARCEL MAP NO. 14,771 in the County of Santa Barbara, State of California, as per map recorded in [Book 64, Page\(s\) 62 through 75](#) inclusive of Parcel Maps, in the Office of the County Recorder of said County.

Parcel B:

A 20' wide easement for private waterlines and for private ingress and egress over and across Parcels 1, as per map recorded in [Book 64, Page\(s\) 62 through 75](#) inclusive of Parcel Maps, in the Office of the County Recorder of said County.

Parcel C:

A 30' wide and 10' wide easements for irrigation lines and domestic water lines over and across Parcels 1, 3 and 4, as per map recorded in [Book 64, Page\(s\) 62 through 75](#) inclusive of Parcel Maps, in the Office of the County Recorder of said County and by Pipeline Easement Agreement recorded December 19, 2014 as Instrument No. [2014-58566](#) of Official Records.

Parcel D:

A strip of land thirty (30.00) feet wide, being a portion of Parcel 1 shown as Easement 3, in the City of Goleta, County of Santa Barbara, State of California, as shown on Parcel Map 14,771 recorded June 6, 2014, in [Book 64, Page\(s\) 62 through 75](#) of Parcel Maps in the Office of the County Recorder of said County, the centerline of which is described as follows:

Commencing at a ½ inch iron pipe tagged "PLS 7911" on the North line of said Parcel 1, said point also being the Northeasterly terminus of that certain course on the North line of said Parcel 1 shown as "N 74° 53' 57" E 248.83'" on said Parcel Map; thence along the North line of said Parcel 1, South 83° 03' 41" East, a distance of 131.95, to the true Point of Beginning; thence,

1st South 20° 20' 17" West, a distance of 15.42 feet to a parallel with and distance 15.00 feet Southerly from that certain course on the North line of Parcel 1 shown as "S 83° 03' 41" E 245.18'" on said map; thence,

2nd parallel with and distant 15.00 feet from said North line, South 83° 03' 41" East, a distance of 111.50 feet; thence,

3rd parallel with and distant 15.00 feet from said North line, South 44° 04' 57" East, a distance of 403.18 feet; thence,

4th parallel with and distant 15.00 feet from said North line, South 55° 31' 09" East, a distance of 170.11 feet; thence,

5th South 25° 08' 41" West, a distance of 192.65 feet; thence,

6th South 33° 35' 21" East, a distance of 201.95 feet; thence,
7th South 08° 04' 57" West, a distance of 97.75 feet; thence,
8th South 24° 25' 56" West, a distance of 87.16 feet; thence,
9th South 09° 53' 04" East, a distance of 99.33 feet; thence,
10th South 43° 18' 57" East, a distance of 242.55 feet; thence,
11th South 05° 09' 12" West, a distance of 231.50 feet; thence,
12th South 19° 56' 23" East, a distance of 205.01 feet; thence,
13th South 11° 32' 29" East, a distance of 152.11 feet; thence,
14th South 29° 40' 09" East, a distance of 404.95 feet; thence,
15th South 01° 25' 04" West, a distance of 189.87 feet; thence,
16th South 15° 39' 45" East, a distance of 139.37 feet; thence,
17th South 06° 32' 02" East, a distance of 470.15 feet to a 2" iron pipe tagged "PLS 7911" on the Southerly line of Parcel 1, said point also being the Easterly terminus of that certain course on the Southerly line of Parcel 1 shown as "S 82° 43' 08" W 164.92'" on said map and also being the terminus of said centerline.

The sidelines of the above-described land shall be lengthened or shortened so as to terminate Northerly on the North line of said Parcel 1 and Southerly on the South line of said Parcel 1 by Grant of Non-Exclusive Access Easement recorded December 19, 2014 as Instrument No. [2014-58568](#) of Official Records.

Parcel E:

A thirty (30) foot wide strip of land, in the County of Santa Barbara, State of California, being a portion of Parcel 4 of Parcel Map 14,771 filed in Book 64 of Parcel Maps at Page(s) 62 through 74 in the Office of the County Recorder of said County, the centerline of which is described as follows:

Commencing at a 2" iron pipe tagged "RCE 7704" at the Northeast corner of Lot 160 of Tract 10,145 as shown on the map filed in [Book 57 of Maps at Page\(s\) 27 through 37](#) in the Office of the County Recorder of said County, said pipe being on the Westerly boundary of said Parcel 4; thence along said Westerly boundary of said Parcel 4, South 30° 19' 26" East as distance of 58.85 feet to the centerline of a non-exclusive easement for public utilities as shown on said Parcel Map and the true Point of Beginning; thence along said centerline the following courses:

1st North 51° 22' 44" East a distance of 10.39 feet to a curve, concave Northwesterly and having a radius of 50.00 feet; thence,
2nd Along said curve, through a central angle of 63° 10' 22" an arc distance of 55.13 feet; thence,
3rd North 11° 47' 38" West a distance of 83.77 feet; thence,
4th North 56° 43' 00" West a distance of 131.24 feet; thence,

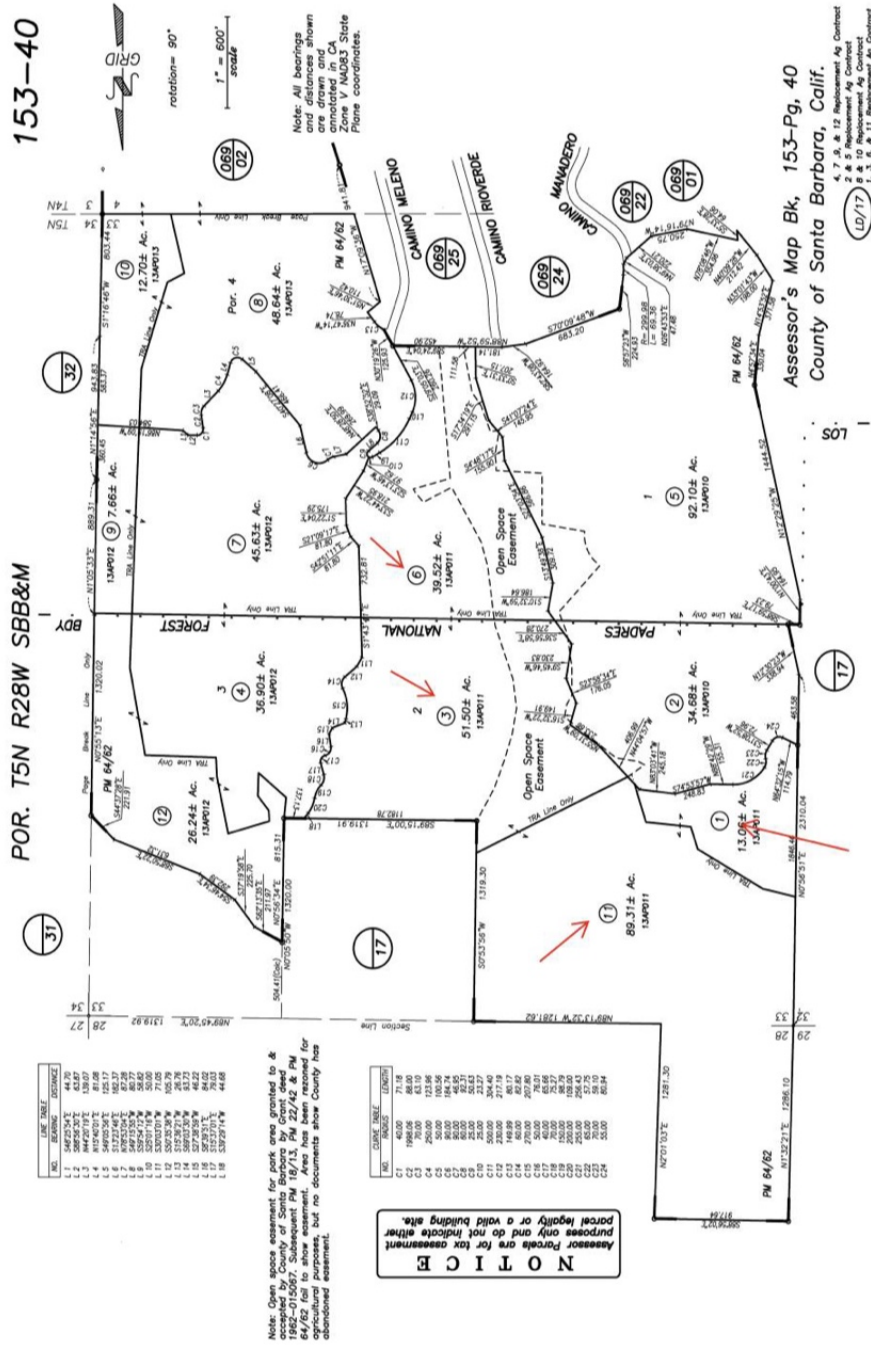
5th North 29° 05' 03" West a distance of 71.64 feet; thence,

6th North 05° 13' 14" West a distance of 151.24 feet; thence,

7th North 09° 51' 14" East a distance of 56.09 feet; thence,

8th North 02° 39' 25" West a distance of 54.41 feet to the North line of said Parcel 4 the sidelines of said strip are to be lengthened or shortened so as to terminate Southerly and Northerly at the boundary of said Parcel 4 by Grant of Non-Exclusive Access Easement recorded December 19, 2014 as Instrument No. [2014-58569](#) of Official Records.

APN: 153-400-001; 153-400-003; 153-400-006 and 153-400-011



NOTICE

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

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

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

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

LIMITATIONS ON COVERED RISKS

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

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

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

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

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

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

1. a. any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
 - b. any governmental forfeiture, police, regulatory, or national security power.
 - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
- Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
 3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
 - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 9.b.
 5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
 6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
 7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

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

EXCEPTIONS FROM COVERAGE

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

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

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

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

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

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

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

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

EXCEPTIONS FROM COVERAGE

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

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

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records at Date of Policy but that could be (a) ascertained by an inspection of the Land, or (b) asserted by persons or parties in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
4. Any encroachment, encumbrance, violation, variation, easement, 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 at Date of Policy.
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, material or equipment unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.