



CHICAGO TITLE COMPANY

PRELIMINARY REPORT

*In response to the application for a policy of title insurance referenced herein, **Chicago 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 herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions 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 Attachment One. 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 Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

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.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Chicago Title Insurance Company, a Missouri corporation.

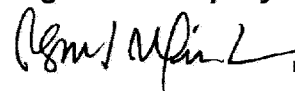
Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be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

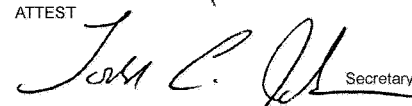


Chicago Title Company

BY

 President

ATTEST

 Secretary



Chicago Title Company

50 Winham Street • Salinas, CA 93901
831 424-8011 • FAX 831 757-9272

PRELIMINARY REPORT

Amended

Title Officer: Joyce Fowler
Escrow Officer: Carolyn Wylie
Escrow No.: 07-**52105180**-CW

Title No.: 07-**52105180**-A-JF
Locate No.: CACTI7727-7727-4521-0052105180

TO: The Uni-Kool Partners
335 W. Market Street
Salinas, CA 93912

ATTN: Steve Kovacich

SHORT TERM RATE: Yes

PROPERTY ADDRESS: Salinas, California

EFFECTIVE DATE: July 2, 2007, 07:30 A.M.

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

CLTA Standard Coverage Policy - 1990

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee
2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

The Uni-Kool Partners, a California General Partnership
3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

KP\KP 07/26/2007

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SALINAS, COUNTY OF MONTEREY, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL I:

That portion of Lot 22, in Block 2, and of Spring Street in Spring and Abbott's Addition to Salinas City, in the City of Salinas, County of Monterey, State of California, as shown on the Map filed December 1, 1873 in Book 1 of Maps of Cities and Towns, at Page 27, in the Office of the County Recorder of said County, described as follows:

Beginning at the most Northerly corner of said Lot 22, being also the most Easterly corner of Lot 11, in said Block 2; thence Southwesterly along the line common to Lots 11 and 22, a distance of 80.00 feet; thence at right angles Southeasterly 50.00 feet to the Southeasterly line of said Lot 22; thence Northeasterly along said Southeasterly line and its Northeasterly prolongation, 96.00 feet to the point of intersection with the Southwesterly line of Spring Street as said street line was established by Resolution No. 548 (N.C.S.) duly passed by the Council of Salinas City on January 20, 1930; thence at right angles Northwesterly along said line of Spring Street 50.00 feet to the intersection with the Northeasterly prolongation of the Northwesterly line of said Lot 22; thence at right angles Southwesterly along said prolonged line, 16.00 feet to the point of beginning.

PARCEL II:

That portion of Lot 11, in Block 2, and of Spring Street in Spring and Abbott's Addition to Salinas City, in the City of Salinas, County of Monterey, State of California, as shown on the Map filed December 1, 1873 in Book 1 of Maps of Cities and Towns, at Page 27, in the Office of the County Recorder of said County, described as follows:

Beginning at the intersection of the Southerly line of said lot with the Easterly line of the parcel of land conveyed to A.P. Cava, et ux, by deed recorded November 7, 1928 in Book 170 of Official Records at Page 95, Records of said County; thence

- (1) Along said Southerly line N. 68° 07' 17" E., 96.00 feet; thence
- (2) N. 66° 52' 43" W., 17.04 feet; thence
- (3) S. 68° 07' 17" W., 83.95 feet to an intersection with said Easterly line; thence
- (4) Along said Easterly line S. 21° 48' 58" E., 12.04 feet to the point of beginning.

PARCEL III:

A portion of Block 2, as said block is shown on the Map entitled "Map of Spring & Abbott's Addition to Salinas City, Monterey County, California" filed for record December 1, 1973 in the Office of the County Recorder of the County of Monterey, State of California, in Volume 1 of Maps, "Cities and Towns", at Page 27, particularly described as follows:

Beginning at the most Easterly corner of Lot 24 in said Block 2, according to the above said map; thence

- (1) Along the Northerly boundary line of John Street, N. 68° 07' 17" E., 50.00 feet; thence
- (2) N. 21° 48' 58" W., 62.04 feet; thence
- (3) S. 68° 07' 17" W., 50.00 feet; thence
- (4) S. 21° 48' 58" E., 62.04 feet to the point of beginning, being a portion of Lots 11 and 12 in said Block 2.

PARCEL IV:

That portion of Lots 23 and 24, in Block 2 as said Lots and Block are delineated on that certain Map entitled "Map of Spring & Abbott's Addition to Salinas City, Monterey County, California" filed for record December 1, 1873 in the Office of the County Recorder of the County of Monterey, State of California, in Volume 1 of Maps, "Cities and Towns", at Page 27, described as follows:

Beginning at a point on the Easterly line of said Lot 23, said point being distant Northerly 12.04 feet from the Northeast corner of said Lot 24; thence parallel with the Southerly line of said Lot 23, S. 68° 07' 17" W., 96.03 feet; thence S. 22° 44' 48" W., 28.10 feet to an intersection with the Easterly line of that certain parcel of land conveyed to the City of Salinas by deed recorded September 23, 1949 in Volume 1162 of Official Records, at Page 436, Records of said County; thence Southerly along last said Easterly line to an intersection with the Southerly line of said Lot 24; thence Easterly along last said Southerly line to the Southeast corner of said Lot 24; thence Northerly along the Easterly line of said Lots 24 and 23 to the point of beginning.

EXCEPT that portion conveyed to Salinas, a Municipal Corp., by deed recorded April 29, 1977 in Reel 1141, Page 405, Official Records.

PARCEL V:

Beginning at a point on the Easterly line of the road leading from Salinas City of the Odd Fellows' Cemetery (now known as Abbott Street) distant twenty feet South from the boundary line of the Nacional Rancho; running thence as of Survey of D.F. Davies, N. 67° 49' E., parallel with said rancho line, 14.32 chains to the fence of the Westerly line of the Southern Pacific Railroad; thence on the line of said fence S. 34° 58' E., 12.66 chains to the North corner of the ten acre tract formerly owned by James Jeffery; thence S. 58° 53' W., 15.10 chains to the Northwest corner of said Jeffery's Lot and the said line of road, and thence along said road N. 30° 40' W., 14.89 chains to the point of beginning, being a portion of Nacional Rancho.

EXCEPTING THEREFROM those portions thereof described as follows:

1st: Beginning on the Southwesterly boundary of the Southern Pacific Railroad right of way at the Northerly corner of lands of one Jeffery; thence along the Northwesterly boundary of said lands of one Jeffery, Southwesterly 35 feet to a station 85 feet distant measured at right angles from the center of the main tract of the Southern Pacific Railroad Coast Division; thence parallel with and 85 feet distant from the center of said tract, Northwesterly 847 feet, more or less, to the side of a lames adjoining lands of John Kalar; thence along said lane Northeasterly above 35 feet to the aforesaid boundary of the Southern Pacific Railroad right of way; and thence along said last named boundary Southeasterly 837 1/2 feet to the place of beginning.

2nd: Beginning at a point on the Easterly line of the road leading from Salinas to the Odd Fellows Cemetery and commonly known as the Cemetery Road, 20 feet distant from the South boundary of the Spring and Abbott Addition to Salinas City; thence running parallel to the said South line of Spring and Abbott Addition N. 68° E., 909.23 feet to the West line of the right of way of the Pajaro Valley Consolidated Railroad Company; thence along said right of way S. 34° 47' E., 20.5 feet to a stake; thence S. 68° W., 910.77 feet to the East side of the Cemetery Road; thence along the said road N. 30° 30' W., 20.2 feet to the place of beginning, and being a strip of land 20 feet wide along the North side of the property first herein above described.

ALSO EXCEPTING THEREFROM those portions described in the following deeds:

(A) Monterey County Ice and Development Company, a corporation, to Southern Pacific Railroad Company, a corporation, dated March 1, 1928, recorded March 6, 1929 in Volume 140 of Official Records, at Page 374, Recorder's Series No. 42650, Monterey County Records.

(B) Monterey County Ice and Development Company, a corporation, to Salinas, a Municipal Corporation, dated March 18, 1931, recorded June 3, 1931 in Volume 298, of Official Records, at Page 17, Recorder's Series No. 78567, Monterey County Records.

(C) Monterey County Ice and Development Company, a corporation, to Salinas, a Municipal Corporation, dated June 20, 1949, recorded June 21, 1950 in Volume 1225 of Official Records, at Page 375, Recorder's Series No. 29371, Monterey County Records.

(D) Monterey County Ice and Development Company, a corporation, to Johnsons Garages Incorporated, a corporation, dated February 9, 1956, recorded March 20, 1956 in Volume 1691 of Official Records at Page 565, Recorder's Series No. 8317, Monterey County Records.

(E) Interharvest Inc., a California corporation, to Salinas, a Municipal corporation, dated December 13, 1976,

recorded April 29, 1977 in Reel 1141, Page 408, Official Records.

PARCEL VI:

Beginning at the point of intersection of the Southeasterly line of that certain piece or parcel of land described in deed from Anton G.O. Gottfriedsen to Paul Milladin, trustee, dated September 14, 1927 and recorded in Official Records of Monterey County, California, in Book 123, at Page 402, on September 17, 1927, with the Southwesterly line of the Pajaro Valley Consolidated Railroad Company's right of way; thence North 34° 58' West, along the said Southwesterly line of the Pajaro Valley Consolidated Railroad Company's right of way a distance of 826.492 feet to a point in the Southeasterly line of Cattlemen's Lane; thence South 67° 49' West, along said Southeasterly line of Cattlemen's Lane a distance of 18.457 feet to a point; thence South 34° 58' East, a distance of 222.390 feet to a point; thence Southeasterly along the arc of a curve concave to the right having a radius of 564.14 feet (the tangent to said curve at the last mentioned point is the last described course) an arc distance of 80.410 feet to a point; thence South 26° 48' East (tangent to last described curve at last mentioned point) a distance of 231.106 feet to a point; thence in a Southeasterly direction along the arc of a curve concave to the left having a radius of 449.97 feet (the tangent to said curve at the last mentioned point is the last described course) an arc distance of 204.761 feet to a point; thence in a Northwesterly direction along the arc of a curve concave to the left having a radius of 530.07 feet (the tangent to said curve at the last mentioned point bears North 72° 30' 45" West), an arc distance of 61.560 feet to a point; thence North 79° 10' West (tangent to last described curve at the last mentioned point) a distance of 761.263 feet to a point; thence South 10° 50' West, a distance of 18.00 feet to a point; thence South 79° 10' East, a distance of 761.263 feet to a point; thence Southeasterly along the arc of a curve concave to the right, having a radius of 512.07 feet (the tangent to said curve at the last mentioned point is the last described course) an arc distance of 123.186 feet to a point; thence South 34° 56' East, a distance of 32.038 feet to a point; thence North 58° 53' East, a distance of 18.041 feet to the point of beginning.

TOGETHER WITH the right to construct, maintain and operate industrial spur or side tracks upon and over the hereinafter described lands and to use said lands for railroad purposes.

EXCEPTING THEREFROM unto Grantor, its successors and assigns, forever, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered underlying the property, including without limiting the generality of the foregoing, oil and gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to the Grantor, its successors and assigns, but without entering upon or using the surface of the Property, and in such manner as not to damage the surface of the Property, or to interfere with the use thereof by the Grantee, its successors and assigns, as reserved in the Quitclaim Deed from Union Pacific Railroad Company, a Delaware Corporation to The Uni-Kool Partners, recorded August 11, 1998, Series No. 9852970, Official Records.

PARCEL VII:

Beginning on the Southwesterly boundary of the Southern Pacific Railroad right of way at the Northerly corner of lands of one Jeffery; thence along the Northwesterly boundary of said lands of one Jeffery, Southwesterly 35 feet to a station 85 feet distant measured at right angles from the center of the main tract of the Southern Pacific Railroad Coast Division; thence parallel with and 85 feet distant from the center of said tract, Northwesterly 847 feet, more or less, to the side of a lames adjoining lands of John Kalar; thence along said lane Northeasterly above 35 feet to the aforesaid boundary of the Southern Pacific Railroad right of way; and thence along said last named boundary Southeasterly 837 1/2 feet to the place of beginning.

EXCEPTING and RESERVING unto Grantor, its successors and assigns, forever, all minerals and all mineral rights of every kind and character now known to exist or hereafter discovered underlying the property, including without limiting the generality of the foregoing, oil and gas and rights thereto, together with the sole, exclusive and perpetual right to explore for, remove and dispose of said minerals by any means or methods suitable to the Grantor, its successors and assigns, but without entering upon or using the surface of the Property, and in such manner as not to damage the surface of the Property, or to interfere with the use thereof by the Grantee, its successors and assigns, as reserved in the Quitclaim Deed from Union Pacific Railroad Company, a Delaware Corporation to The Uni-Kool Partners, recorded August 11, 1998 in Series No. 9852970, Official Records.

PARCEL VIII:

Parcel "A", as shown on the Parcel Map filed for record October 13, 1977 in Volume 11, Parcel Maps, Page 219, Official Records, Monterey County.

EXCEPTING THEREFROM any and all water, but without the right of entry or to make any withdrawal of water which will result in damage to any building or structure, as granted in the Deed to California Water Service Company, recorded April 2, 1970 in Reel 645, Page 477, Official Records.

APN: 002-372-027, 002-372-028, 002-372-029, 002-481-024, 002-481-022

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

THE FOLLOWING ITEMS AFFECT PARCELS I-VII:

1. **Property taxes**, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2007-2008.

2. **The lien of supplemental taxes**, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.

3. **An assessment** by the improvement district shown below

Assessment
(or Bond) No: 65000
District: 68-2 (Abbott Street)
For: Improvements

Said assessment is collected with the county/city property taxes.

4. **Assessments** and charges due the Monterey Regional Water Pollution Control Agency.

*Further information may be obtained by contacting:
District Billing Manager, P.O. Box 2109, Monterey, CA 93942, (831) 372-2385

5. **Water rights, claims or title to water**, whether or not disclosed by the public records.

6. **The fact** that the ownership of said land does not include rights of access to or from the street, highway, or freeway abutting said land, such rights having been relinquished by the document,

Recorded: February 23, 1962, Book 24 of Reels, Page 332, of Official Records

7. **The fact** that the ownership of said land does not include rights of access to or from the street, highway, or freeway abutting said land, such rights having been relinquished by the document,

Recorded: July 29, 1963, Book 208 of Reels, Page 117, of Official Records

8. **Matters** contained in that certain document entitled "Memorandum of Easement" dated July 28, 1994, executed by and between Southern Pacific Transportation Company, a Delaware corporation and Southern Pacific Telecommunications Company, a Delaware corporation, recorded November 30, 1994, Book 3176 of Reels, Page 1002, of Official Records.

Reference is hereby made to said document for full particulars.

Affects: Parcel I

9. The fact that said land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment Law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document.

Redevelopment Agency: Redevelopment Agency of the City of Salinas
Recorded: January 28, 1995, Book 3193 of Reels, Page 584, of Official Records, and any amendments thereto

10. A financing statement filed in the Office of the County Recorder, showing

Debtor: The Uni-Kool Partners, a General Partnership
Secured Party: Pacific Coast Farm Credit Services, ACA
Date: None Shown
Recorded: May 5, 1995, Book 3225 of Reels, Page 1383, of Official Records

A change to the above financing statement was filed
Date: October 17, 1997
No.: Not Shown
Nature of Change: Amended as provided therein
Recorded: October 17, 1997, Instrument No. 9761530, of Official Records

A change to the above financing statement was filed
Date: December 22, 1999
No.: Not Shown
Nature of Change: Continuation Statement
Recorded: December 22, 1999, Instrument No. 9993595, of Official Records

A change to the above financing statement was filed
Date: January 24, 2000
No.: Not Shown
Nature of Change: Amended as provided therein
Recorded: January 24, 2000, Instrument No. 2000004866, of Official Records

A change to the above financing statement was filed
Date: November 21, 2000
No.: Not Shown
Nature of Change: Amended as provided therein
Recorded: November 21, 2000, Instrument No. 2000076654, of Official Records

A change to the above financing statement was filed

Date: August 30, 2001
No.: Not Shown
Nature of Change: Amended as provided therein
Recorded: August 30, 2001, Instrument No. 2001073358, of Official Records

A change to the above financing statement was filed

Date: August 30, 2001
No.: Not Shown
Nature of Change: Amended as provided therein
Recorded: August 30, 2001, Instrument No. 2001073359, of Official Records

and re-recorded October 17, 2001, Instrument No. 2001087713, of Official Records

A change to the above financing statement was filed

Date: February 8, 2005
No.: Not Shown
Nature of Change: Continuation Statement
Recorded: February 8, 2005, Instrument No. 2005013122, of Official Records

- 11. Matters** contained in that certain document entitled "Memorandum of Easement Agreement" dated June 30, 1989, executed by and between Southern Pacific Transportation Company and MCI Telecommunications Corporation, recorded May 8, 1997, Book 3516 of Reels, Page 114, of Official Records.

Reference is hereby made to said document for full particulars.

Affects: Parcel II

- 12. A deed of trust** to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$13,420,000.00; \$3,290,000.00; and \$7,446,810.00
Dated: August 5, 1997
Trustor: The Uni-Kool Partners, a General Partnership
Trustee: Pacific Coast Farm Credit Services, ACA, a Corporation
Beneficiary: Pacific Coast Farm Credit Services, ACA, a Corporation
Loan No.: 0425882700
Recorded: October 17, 1997, Instrument No. 9761518, of Official Records

Insured: Yes

An additional advance to be secured by said deed of trust, as disclosed by an instrument:

Amount of advance: \$3,030,000.00
Recorded: May 21, 1998, Instrument No. 9831588, of Official Records

An assignment of the beneficial interest under said deed of trust which names:

Assignee: Pacific Coast Farm Credit Services, FLCA
Loan No.: 0425882700
Recorded: November 5, 1999, Instrument No. 9982670, of Official Records

A Substitution of Trustee under said deed of trust which names as the substituted trustee, the following

Trustee: Pacific Coast Farm Credit Services, FLCA
Recorded: November 5, 1999, Instrument No. 9982671, of Official Records

An additional advance to be secured by said deed of trust, as disclosed by an instrument:

Amount of advance: \$11,500,000.00
Recorded: November 21, 2000, Instrument No. 2000076648, of Official Records

An additional advance to be secured by said deed of trust, as disclosed by an instrument:

Amount of advance: \$2,500,000.00
Recorded: July 11, 2006, Instrument No. 2006060885, of Official Records

An agreement to modify the terms and provisions of said deed of trust as therein provided

Executed by: The Uni-Kool Partners, a California general partnership and American AgCredit, FLCA, successor in interest to Pacific Coast Farm Credit Services, FLCA
Recorded: July 11, 2006, Instrument No. 2006060885, of Official Records

13. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: Leasehold Subordination Agreement
Lessor: The Uni-Kool Partners Company
Lessee: Cream of the Crop
Recorded: October 17, 1997, Instrument No. 9761521, of Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

An agreement (and the provisions contained therein) which states that said lease is subordinate to the Deed of Trust

Recorded: October 17, 1997, Instrument No. 9761518, of Official Records

By document

Recorded: October 17, 1997, Instrument No. 9761521, of Official Records

14. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: Leasehold Subordination Agreement
Lessor: The Uni-Kool Partners, a General Partnership
Lessee: Whole Leaf Co., LLP
Recorded: October 7, 1997, Instrument No. 9761523, of Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

An agreement (and the provisions contained therein) which states that said lease is subordinate to the Deed of Trust
Recorded: October 17, 1997, Instrument No. 9761518, of Official Records

By document
Recorded: October 7, 1997, Instrument No. 9761523, of Official Records

An agreement (and the provisions contained therein) which states that said lease is subordinate to the Deed of Trust
Recorded: September 23, 2005, Instrument No. 2005099785, of Official Records

By document
Recorded: September 23, 2005, Instrument No. 2005099786, of Official Records

An agreement (and the provisions contained therein) which states that said lease is subordinate to the Notice of Additional Advance under Deed of Trust recorded October 17, 1997, Instrument No. 9761518, of Official Records

Recorded: July 11, 2006, Instrument No. 2006060885, of Official Records

By document
Recorded: July 11, 2006, Instrument No. 2006060892, of Official Records

15. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Reserved by: Union Pacific Railroad Company, a Delaware Corporation
Purpose: Railroad
Recorded: August 11, 1998, Instrument No. 9852970, of Official Records
Affects: A strip of land 10 feet on each side of the existing tracks over, on, and through the Northwesterly 200 feet of Parcels VIII and IX, together with the right of ingress and egress thereto, for the construction, maintenance, operation, repair, renewal, reconstruction, and if necessary removal of railroad trackage.

16. A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$16,000,000.00
Dated: September 12, 2005
Trustor: The Uni-Kool Partners, a California general partnership
Trustee: American AgCredit, PCA
Beneficiary: American AgCredit, PCA
Loan No.: Not Shown
Recorded: September 23, 2005, Instrument No. 2005099785, of Official Records

Insured: Yes

Affects: The herein described land and other land.

By the provisions of an agreement

Dated: January 13, 2006
Executed by: The Uni-Kool Partners, a California General Partnership and American AgCredit, PCA
Recorded: July 11, 2006, Instrument No. 2006060888, of Official Records

Said instrument was made subordinate to the lien of the document or interest described in the instrument

Recorded: July 11, 2006, Instrument No. 2006060887, of Official Records

17. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: Financing Statement
Lessor: Not disclosed
Lessee: Ceres Fresh Foods, LLC
Recorded: October 28, 2005, Instrument No. 2005115205, of Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

18. An unrecorded lease with certain terms, covenants, conditions, and provisions as set forth therein, as disclosed by inspection and investigation.

In favor of: American Farms, Inc. (Lessee)

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

- 19. **Any rights of the parties in possession** of a portion of, or all of, said land, which rights are not disclosed by the public record.

This Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

THE FOLLOWING ITEMS AFFECT PARCEL VIII:

- 20. **Property taxes**, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2007-2008.

- 21. **The lien of supplemental taxes**, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.

- 22. **Assessments** and charges due the Monterey Regional Water Pollution Control Agency.

*Further information may be obtained by contacting:
District Billing Manager, P.O. Box 2109, Monterey, CA 93942, (831) 372-2385

- 23. **Water rights, claims or title to water**, whether or not disclosed by the public records.

- 24. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of Volume X5, Surveys, at Page 47.

Purpose: 20 Foot Sewer
Affects: As shown on the map

- 25. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: Salinas, a Municipal Corporation
Purpose: Construction and Maintenance of Pipelines
Recorded: March 3, 1970, Book 641 of Reels, Page 877, of Official Records
Affects: As set forth in the deed

- 26. **An unrecorded lease** with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: Financing Statement
Lessor: R. Jay DeSerpa, Ltd.
Lessee: Calpine Containers Inc.
Recorded: September 30, 2003, Instrument No. 2003119252, of Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

- 27. Matters** contained in that certain document entitled "Waiver and Consent" dated October 15, 2003, executed by Union Bank of California, N.A. and R. Jay DeSerpa, Ltd. recorded November 3, 2003, Instrument No. 2003134914, of Official Records.

Reference is hereby made to said document for full particulars.

- 28. Easement(s)** for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Reserved by: R. Jay DeSerpa, LTD, a California Limited Partnership
Purpose: Maintaining Vehicular and Pedestrian Ingress and Egress
Recorded: August 25, 2006, Instrument No. 2006075071, of Official Records
Affects: As shown on the map recorded in Volume 11 of Parcel Maps, at Page 219

- 29. A deed of trust** to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$30,450,000.00
Dated: January 13, 2006
Trustor: The Uni-Kool Partners, a California general partnership
Trustee: American AgCredit, FLCA, a corporation
Beneficiary: American AgCredit, FLCA, a corporation
Loan No.: 427378000
Recorded: August 25, 2006, Instrument No. 2006075072, of Official Records

Insured: Yes

- 30. A deed of trust** to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$16,000,000.00
Dated: January 13, 2006
Trustor: The Uni-Kool Partners, a California general partnership
Trustee: American AgCredit, PCA
Beneficiary: American AgCredit, PCA
Loan No.: Not Shown
Recorded: August 25, 2006, Instrument No. 2006075108, of Official Records

Insured: No

- 31. Any rights of the parties in possession** of a portion of, or all of, said land, which rights are not disclosed by the public record.

This Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

END OF ITEMS

- Note 1. Before issuing its policy of title insurance**, the Company will require, for recording, a certified copy of the *Statement of Partnership Authority* (GP-1) filed with the California Secretary of State containing the following elements in accordance with Corporations Code §16105:

- a. The name of the partnership
- b. The street address of its chief executive office, and one office located in the State of California, if any.
- c. The names and mailing addresses of all of the partners or of an agent appointed and maintained by the partnership.
- d. The names of the partners authorized to execute an instrument transferring real property held in the name of the partnership.
- e. The document must be signed by at least two of the partners and accompanied by a declaration under penalty of perjury that the contents are accurate.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

- Note 2.** The current owner does NOT qualify for the \$20.00 discount pursuant to the coordinated stipulated judgments entered in actions filed by both the Attorney General and private class action plaintiffs for the herein described property.

- Note 3.** The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.

Note 4. A statement of partnership for Uni-Kool Partners was recorded September 8, 1999, Instrument No. 9967414, disclosing all the partners as then being:

- (a) D'Arrigo Bros. Co. of California, Inc., a California Corporation
- (b) Stephen J. Kovacich, Inc, a California Corporation
- (c) Stephen J. Kovacich
- (d) Tom Bengard Ranch, Inc., a California Corporation
- (e) The Bengard Family Trust
- (f) Mills Family Enterprises, Inc., a California Corporation

Note 5. Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

Tax Identification No.: 002-372-027
Fiscal Year: 2006 - 2007
1st Installment: \$328.32
2nd Installment: \$328.32
Code Area: 005-025

Note 6. Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

Tax Identification No.: 002-372-028
Fiscal Year: 2006 - 2007
1st Installment: \$126.50
2nd Installment: \$126.50
Code Area: 005-025

Note 7. Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

Tax Identification No.: 002-372-029
Fiscal Year: 2006 - 2007
1st Installment: \$194.16
2nd Installment: \$194.16
Code Area: 005-025

Note 8. Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

Tax Identification No.: 002-481-024
Fiscal Year: 2006 - 2007
1st Installment: \$41,973.00
2nd Installment: \$41,973.00
Code Area: 005-025

Note 9. Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:
Tax Identification No.: 002-481-022
Fiscal Year: 2006 - 2007
1st Installment: \$7,517.67
2nd Installment: \$7,517.67
Code Area: 005-015

Note 10. The only deeds affecting said land, which recorded within twenty-four (24) months of the date of this report, as are follows:

Grantor: R. Jay DeSerpa, LTD, a California limited partnership
Grantee: The Uni-Kool Partners, a California general partnership
Recorded: August 25, 2006, Instrument No. 2006075071, of Official Records

Affects: Parcel VIII

Note 11. **The application** for title insurance was placed by reference to only a street address or tax identification number.

Based on our records, we believe that the description in this report covers the parcel requested, however, if the legal description is incorrect a new report must be prepared.

If the legal description is incorrect, in order to prevent delays, the seller/buyer/borrower must provide the Company and/or the settlement agent with the correct legal description intended to be the subject of this transaction.

Note 12. If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.

Note 13. Wiring instructions for Chicago Title Company, Salinas, CA, are as follows:

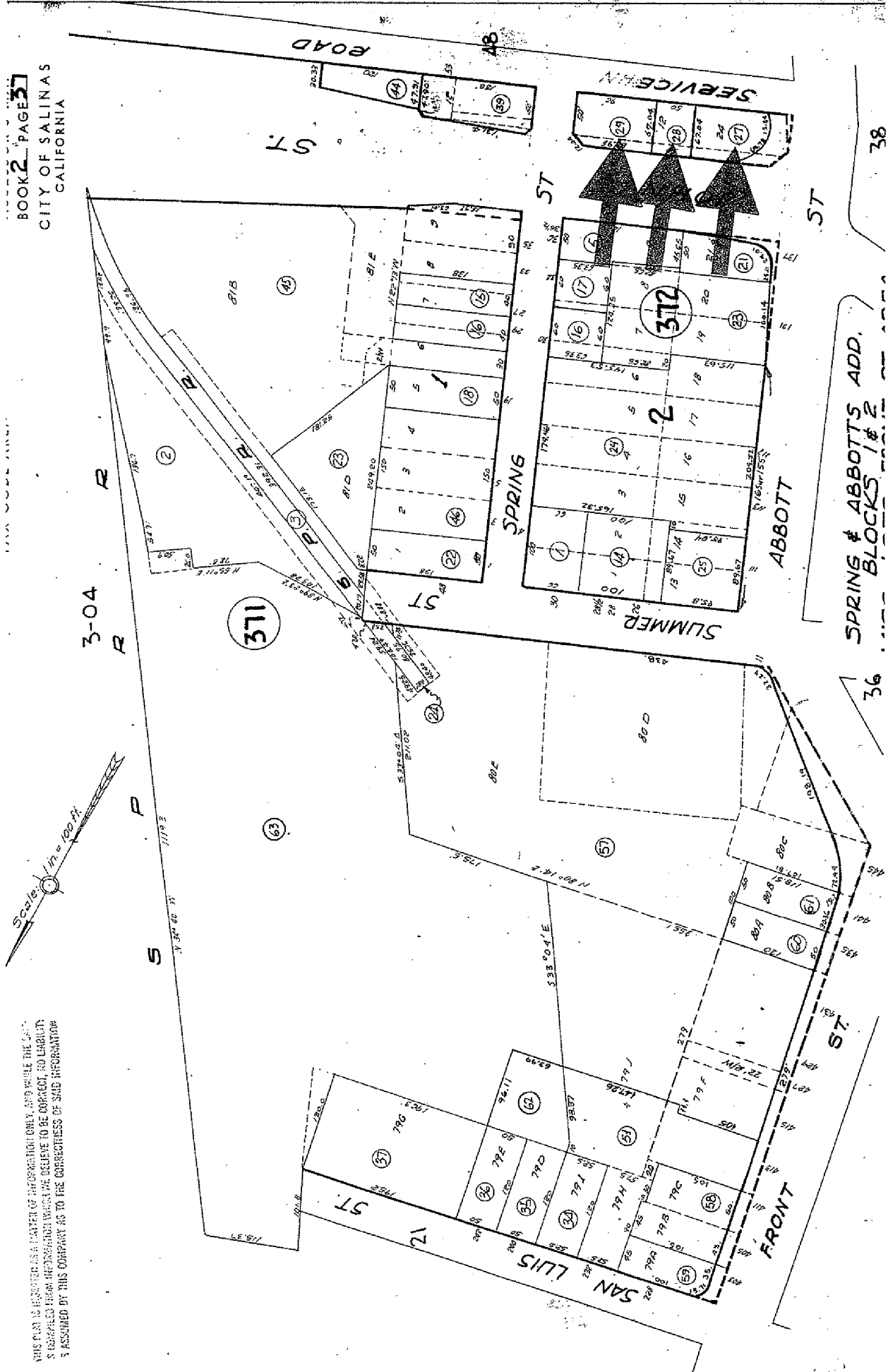
| | |
|----------------------|---|
| Receiving Bank: | Bank of America 275 Valencia Blvd, 2nd Floor Brea, CA 92823-6340 |
| ABA Routing No.: | 026009593 |
| Credit Account Name: | Chicago Title Company - Winham - Salinas 50 Winham Street, Salinas, CA 93901 |
| Credit Account No.: | 12353-52599 |
| Escrow No.: | 07- 52105180 -CW |

These wiring instructions are for this specific transaction involving the Title Department of the Salinas office of Chicago Title Company. These instructions therefore should not be used in other transactions without first verifying the information with our accounting department. It is imperative that the wire text be exactly as indicated. Any extraneous information may cause unnecessary delays in confirming the receipt of funds.

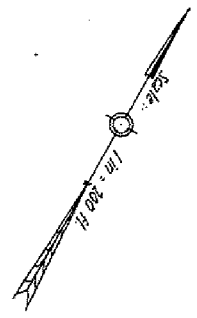
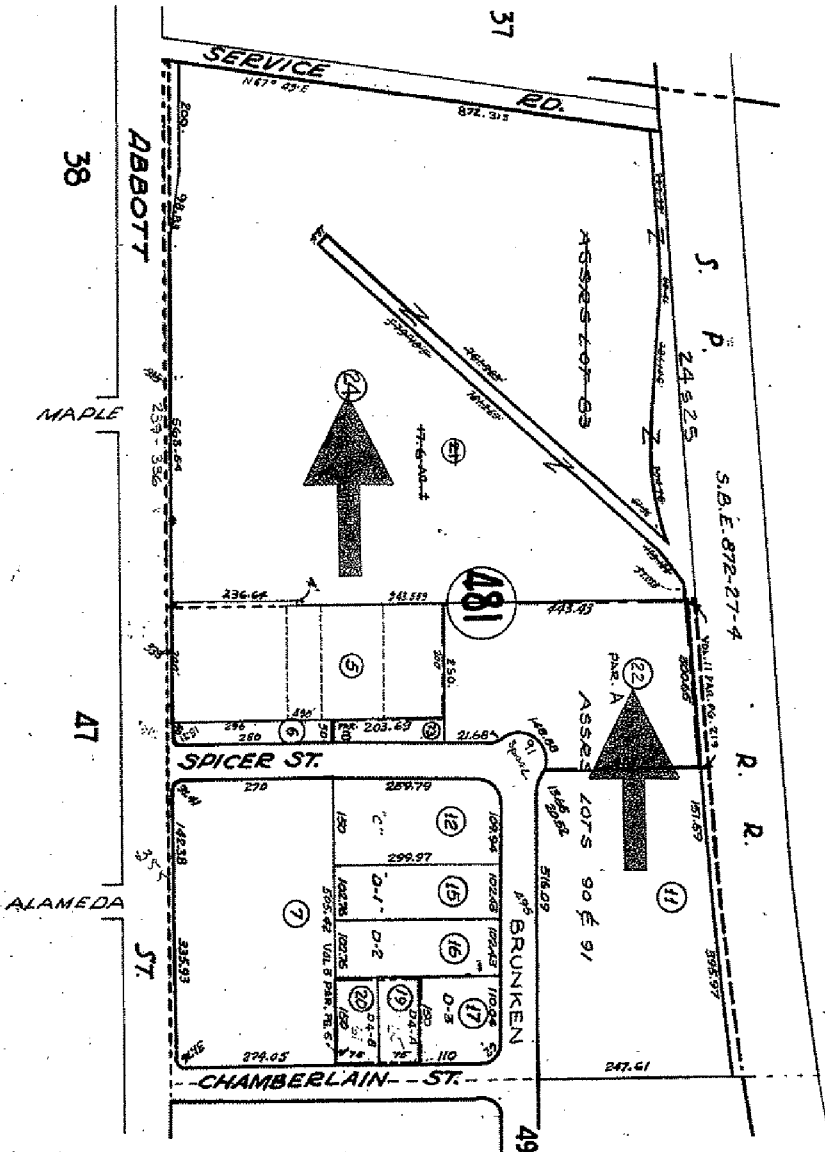
Note 14. Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirements cannot be met, please call the company at the number provided in this report.

END OF NOTES

THIS PLAN IS PREPARED AS A MATTER OF INFORMATION ONLY, AND WHILE THE DATA IS BELIEVED TO BE CORRECT, NO LIABILITY IS ASSUMED BY THIS COMPANY AS TO THE CORRECTNESS OF SAID INFORMATION.



SPRINGS & ABBOTTS ADD.
 BLOCKS 1 & 2



3-01

TAX CODE AREA 5-15
THIS MAP SHOULD BE USED FOR REFERENCE PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. PARCELS MAY NOT BE SUBDIVISION OR BUILDING ORDINANCES.

ASSASSOR'S MAP BOOK 2 PAGE 48
CITY OF SALINAS CALIFORNIA
THIS MAP IS INTENDED TO BE USED FOR PROPERTY TAX ASSESSMENT PURPOSES ONLY.

OCT 17 2001

ATTACHMENT ONE
AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87) 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
 - improvements on the land
 - land division
 - 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 knowledge of the taking

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

1. Any rights, interests, or claims of parties in possession of the land not shown by the public records.
2. Any easements or liens not shown by the public records. This does not limit the lien coverage in Item 8 of Covered Title Risks.

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 landThis exclusion does not limit the access coverage in Item 5 of Covered Title Risks.
3. Any facts about the land which a correct survey would disclose and which are not shown by the public records. This does not limit the forced removal coverage in Item 12 of Covered Title Risks.
4. Any water rights or claims or title to water in or under the land, whether or not shown by the public records.

**ATTACHMENT ONE
(CONTINUED)**

**CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY – 1990
EXCLUSIONS FROM COVERAGE**

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

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 (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 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 claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

**SCHEDULE B, PART I
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:

PART I

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.

**ATTACHMENT ONE
(CONTINUED)**

**AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)
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) 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 to 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 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 judgement or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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

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

**ATTACHMENT ONE
(CONTINUED)**

**2006 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE**

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
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).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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

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.

**ATTACHMENT ONE
(CONTINUED)**

**AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92)
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 judgement or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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

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

**ATTACHMENT ONE
(CONTINUED)**

**2006 AMERICAN LAND TITLE ASSOCIATION 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.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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

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

**ATTACHMENT ONE
(CONTINUED)**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)
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 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. 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.

LIMITATIONS ON COVERED RISKS

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

- For Covered Risk 14, 15, 16 and 18, 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 14: | 1.00% of Policy Amount or \$ 2,500.00 (whichever is less) | \$ 10,000.00 |
| Covered Risk 15: | 1.00% of Policy Amount or \$ 5,000.00 (whichever is less) | \$ 25,000.00 |
| 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 \$ 2,500.00 (whichever is less) | \$ 5,000.00 |

**ATTACHMENT ONE
(CONTINUED)**

**ALTA 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 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 improvements now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas 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 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 the 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.

Notice

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 November 1, 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 your current transaction, you do not have to do anything; the Company will provide the discount, provided you are paying for escrow or title services in this transaction.

If your previous transaction involved property different from the property that is subject of your current transaction, you must - prior to the close of the current transaction - inform the Company 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.

Unless you inform the Company of the prior transaction on property that is not the subject of this transaction, the Company has no obligation to conduct an investigation to determine if you qualify for a discount. If you provide the Company information concerning a prior transaction, the Company is required to determine if you qualify for a discount which is subject to other terms and conditions.

Fidelity National Title Group of Companies' Privacy Statement

July 1, 2001

We recognize and respect the privacy expectations of today's consumers and the requirements of applicable federal and state privacy laws. We believe that making you aware of how we use your non-public personal information ("Personal Information"), and to whom it is disclosed, will form the basis for a relationship of trust between us and the public that we serve. This Privacy Statement provides that explanation. We reserve the right to change this Privacy Statement from time to time consistent with applicable privacy laws.

In the course of our business, we may collect Personal Information about you from the following sources:

- From applications or other forms we receive from you or your authorized representative;
- From your transactions with, or from the services being performed by, us, our affiliates, or others;
- From our internet web sites;
- From the public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others; and
- From consumer or other reporting agencies.

Our Policies Regarding the Protection of the Confidentiality and Security of Your Personal Information

We maintain physical, electronic and procedural safeguards to protect your Personal Information from unauthorized access or intrusion. We limit access to the Personal Information only to those employees who need such access in connection with providing products or services to you or for other legitimate business purposes.

Our Policies and Practices Regarding the Sharing of Your Personal Information

We may share your Personal Information with our affiliates, such as insurance companies, agents, and other real estate settlement service providers. We also may disclose your Personal Information:

- to agents, brokers or representatives to provide you with services you have requested;
- to third-party contractors or service providers who provide services or perform marketing or other functions on our behalf; and
- to others with whom we enter into joint marketing agreements for products or services that we believe you may find of interest.

In addition, we will disclose your Personal Information when you direct or give us permission, when we are required by law to do so, or when we suspect fraudulent or criminal activities. We also may disclose your Personal Information when otherwise permitted by applicable privacy laws such as, for example, when disclosure is needed to enforce our rights arising out of any agreement, transaction or relationship with you.

One of the important responsibilities of some of our affiliated companies is to record documents in the public domain. Such documents may contain your Personal Information.

Right to Access Your Personal Information and Ability to Correct Errors or Request Changes or Deletion

Certain states afford you the right to access your Personal Information and, under certain circumstances, to find out to whom your Personal Information has been disclosed. Also, certain states afford you the right to request correction, amendment or deletion of your Personal Information. We reserve the right, where permitted by law, to charge a reasonable fee to cover the costs incurred in responding to such requests.

All requests must be made in writing to the following address:

Fidelity National Title Group, Inc.
Privacy Compliance Officer
601 Riverside Avenue
Jacksonville, FL 32204

Multiple Products or Services

If we provide you with more than one financial product or service, you may receive more than one privacy notice from us. We apologize for any inconvenience this may cause you.