

# CALIFORNIA PRELIMINARY REPORT

ANATOMY OF A PRELIMINARY REPORT

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stewart  
title

# SAMPLE PRELIMINARY REPORT

A Preliminary Report is defined in Section 12340.11 of the California Insurance Code as follows:

“Preliminary Report” is a report furnished in connection with an application for title insurance, and is an offer to issue a title policy subject to stated exceptions set forth in the report and such other matters as may be incorporated by reference therein. The report is not an abstract of title, nor are any of the rights, duties or responsibilities applicable to the preparation and issuance of an abstract of title applicable to the issuance of any report. Any such report shall not be constructed as, nor constitute, a representation as to the condition of title to real property, but shall constitute a statement of the terms and conditions upon which the issuer is willing to issue its title policy, if such offer is accepted.

After placement of an order for title insurance, a search of the records maintained by the title company for that real property is commenced. Items found in the search are assembled in a “search package” and forwarded to a skilled examiner. The result is a Preliminary Report.

Disclaimer: The Preliminary Report in the following pages is a sample issued by Stewart Title and is substantially similar to Preliminary Reports issued by members of the California Land Title Association (CLTA). The investigation of title includes matters contained in the public records, the title company’s title indices and, depending upon the type of final policy that is issued, certain off-record matters that may be disclosed by an inspection or survey of subject property. There are certain matters which may affect title but may not be identified in the Preliminary Report. The Preliminary Report in the following pages is only one example that contemplates the issuance of a CLTA/ALTA Homeowners’ policy with an ALTA loan policy in Northern California; information may vary depending upon the geographic location of subject property and is always subject to change.

- 1) Our order number (Stewart Title of California, Inc.'s identification number)
- 2) Parties involved
- 3) The reference street address of the property
- 4) This states that the preliminary report is a report only and assumes no liability. It is an offer for title insurance purposes only, with no other liability unless specifically requested
- 5) County record good-through date



Jack Paige  
 Stewart Title of California, Inc.  
 2850 Cordelia Road, Suite 100  
 Fairfield, CA 94534  
 Phone: (209) 345-1234  
 Fax:

**PRELIMINARY REPORT**

- 1) Order No. : 01234-567890  
 Title Unit No. : 7654  
 Your File No. : 7654-01234-567890
- 2) Buyer/Borrower Name : Jane Smith and John Smith  
 Seller Name : Robert Johnston

3) Property Address: 1234 Fleetwood Drive, San Jose, CA 95120

4) In response to the above referenced application for a Policy of Title Insurance, Stewart Title of California, Inc. hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Stewart Title Guaranty Company 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 referenced to as an Exception on Schedule B 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 Limits of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

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

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

This report, (and any supplements or amendments thereto) 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.

5) Dated as of January 28, 2020 at 7:30 a.m.

Jack Paige, Title Officer

**When replying, please contact:**

Stewart Title of California, Inc.  
 750 University Avenue, Suite 120  
 Los Gatos,  
 CA 95032  
 (408) 354-1234

- 6) The forms and types of policy contemplated by this report
- 7) Type of estate: This is used to describe the degree, quantity, nature or extent of an interest in land
- 8) Vesting: This shows the owner(s) of record

### **PRELIMINARY REPORT**

**6)** — **The form of Policy of Title Insurance contemplated by this report is:**

- CLTA Standard Coverage Policy
- CLTA/ALTA Homeowners Policy
- 2006 ALTA Owner's Policy
- 2006 ALTA Loan Policy
- ALTA Short Form Residential Loan Policy
- 

### **SCHEDULE A**

**7)** — **The estate or interest in the land hereinafter described or referred to covered by this report is:**

A Fee

**8)** — **Title to said estate or interest at the date hereof is vested in:**

Robert Johnston, a married man, as his sole and separate property

- 9) Legal description of the property describes property as reflected in the public records. Often directs you to an attachment

### **LEGAL DESCRIPTION**

- 9) — The land referred to herein is situated in the State of California, County of Santa Clara, City of San Jose and described as follows:

Lot 11, as delineated upon that certain Map entitled, "Tract No. 1234, Cypress Lane", filed for record in the Office of the Recorder of the County of Santa Clara, State of California on July 7, 1965 in [Book 159 of Maps at Page 22.](#)

Excepting therefrom the underground water or rights thereto, with no rights of surface entry, as Granted to San Jose Water Works, a California Corporation, by Instrument recorded July 27, 1965 in [Book 7006 of Official Records, Page 199.](#)

APN: [654-12-345](#)

(End of Legal Description)

THE MAP CONNECTED HERewith IS BEING PROVIDED AS A COURTESY AND FOR INFORMATIONAL PURPOSES ONLY; THIS MAP SHOULD NOT BE RELIED UPON. FURTHERMORE, THE PARCELS SET OUT ON THIS MAP MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES. STEWART ASSUMES NO LIABILITY, RESPONSIBILITY OR INDEMNIFICATION RELATED TO THE MAPS NOR ANY MATTERS CONCERNING THE CONTENTS OF OR ACCURACY OF THE MAP.

- 10) Taxes: A statement regarding the amount and status of the current year's taxes (e.g., taxes now due, or respective installment paid or unpaid). In addition to addressing supplemental taxes and assessments, other year's taxes and other tax or assessment-related information may appear in this section
- 11) Exceptions: These include generic exceptions or specifically itemized exceptions searched in the public records such as easements, restrictions, covenants, liens and judgements. Any transfer or encumbrance of this property will be subject to the matters in this section unless, when possible, steps necessary to eliminate them are satisfied
- 12) Easements: An easement is a right or interest which entitles the holder to some use, privilege or benefit upon or over the property. Most common are easements for public utilities
- 13) Covenants, Conditions and Restrictions (CC&Rs): The CC&Rs are more commonly referred to as the rules of the neighborhood. The CC&Rs describe the requirements and limitations about what can be done with properties in the community. The goal of the CC&Rs is to protect, preserve, and enhance property values in the community

**SCHEDULE B**

**At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions contained in said policy or policies would be as follows:**

10 )

**Taxes:**

- A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes, to be levied for the fiscal year 2017 - 2018.
- B. 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.
- C. Assessments, if any, for Community Facility Districts affecting said land which may exist by virtue of assessment maps or notices filed by said districts. Said assessments are collected with the County Taxes.

11 )  
12 )

**Exceptions:**

- 1. Easements as follows as shown on filed Map of said Tract, as per Map recorded on July 07, 1965 in [Book 159, Page 22](#) of Santa Clara County Records.
  - For : Public service easement
  - Affects : The Southerly 5 feet
  - For : Wire clearance easement
  - Affects : The Northerly 5 feet of the Southerly 10 feet
  - For : Light and air
  - Affects : Northerly 20 feet

13 )

- 2. Covenants, Conditions, and Restrictions as set forth in an instrument, but omitting, except to the extent permitted by any applicable federal or state law, covenants or restrictions, if any, based on race, color, religion, sex, familial status, national origin, handicap, sexual orientation, marital status, ancestry, source of income, disability, medical condition, or other unlawful basis.  
Recorded : June 18, 1965 in [Book 6789, Page 890](#) of Official Records

Note: Section 12956.1 of the Government Code provides the following: If this document contains any restrictions based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

Said Covenants, Conditions, and Restrictions provide that a violation thereof shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value.

- 14) Deed of Trust: A deed of trust conveys title to a piece of land to a neutral third-party trustee with limited powers for the purpose of securing a loan on the real property
- 15) Federal Tax Lien: A lien attaching to property for nonpayment of a federal tax (income, estate, etc.). A federal tax lien differs from other liens in that it is not automatically wiped out by foreclosing on a mortgage or trust deed recorded before the tax lien
- 16) Survey Exception
- 17) Request for Statement of Information: Typically used to clear judgements against persons of similar name
- 18) Mechanics' Lien Exception

14 ) ● 3. Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby:

Amount	: \$612,000.00
Dated	: October 01, 2016
Trustor	: Robert Johnston, a married man as his sole and separate property
Trustee	: USA National Title Company
Beneficiary	: Mortgage Electronic Registration Systems Inc., acting solely as nominee for Onyx Lending, LLC
Recorded	: October 06, 2016 as Instrument No. <a href="#">23456789</a> of Official Records
Loan No.	: 916090900/ MIN: 101234567890909005.

15 ) ● 4. Notice of Federal Tax Lien against Robert Johnston in the amount of \$11,042.61, plus costs, interest and additional taxes recorded July 28, 2007, as Instrument/File No. [12345678](#) of Official Records.

16 ) ● 5. Matters which may be disclosed by an inspection or by a survey of said land satisfactory to this Company, or by inquiry of the parties in possession thereof.

17 ) ● 6. We will require a Statement of Information from the parties named below in order to complete this report, based on the effect of documents, proceedings, liens, decrees, or other matter which do not specifically describe said land, but which, if any do exist, may affect the title or impose liens or encumbrances thereon.

Parties: Jane Smith

(Note: The Statement of Information Is necessary to complete the search and examination of 1file under this order. Any title search includes matters that are indexed by name only, and having a completed Statement of Information assists the Company In the elimination of certain matters which appear to Involve the parties but In fact another party with the same or similar name. Be assured that the Statement of Information Is essential and will be kept strictly confidential to this file) .

18 ) ● 7. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

(End of Exceptions)

- 19) Notes and Requirements section: These are special notations and requirements for closing
- 20) PCOR – Preliminary Change of Ownership
- \* ) Only Northern California Preliminary Reports include the information on specific City Transfer and/or Conveyance Tax

## 19 ) NOTES AND REQUIREMENTS

For transactions where Stewart Title of California, Inc. is not the settlement/closing agent, a signed and dated copy of the attached "Acknowledgment of Receipt, Understanding and Approval of Affiliated Business Arrangement Disclosure Statement and STG Privacy Notice for Stewart Title Companies", will be required prior to recording.

A. Property taxes for the fiscal year 2016 - 2017 shown below are paid. For proration purposes the amounts are:

1st Installment	: \$6,238.94
2nd Installment	: \$6,238.94
Parcel No.	: 654-32-123
Code Area	: 017-108

B. 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:

John Jamison, a married man as his sole and separate property, as Grantor and Robert Johnston, a married man, as his sole and separate property, as Grantee, recorded June 25, 2015, as Instrument/File No. [22345678](#) of Official Records.

Sarah Johnston, wife of the grantee herein, as Grantor and Robert Johnston, a married man, as his sole and separate property, as Grantee, June 25, 2015, as Instrument/File No. [22345679](#) of Official Records.

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

D. When issued, the CLTA Endorsement Form 116 or 116.2, if applicable will reference a(n) Single Family Residence known as, 1234 Fleetwood Drive, San Jose, California

E. The charge for a policy of title insurance, when issued through this title order, will be based on the Residential Rate.

F. The map attached, if any, may or may not be a survey of the land depicted hereon. Stewart Title 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.

20) G. A Preliminary Change of Ownership Report must be completed by the transferee (buyer) prior to the transfer of property in accordance with the provisions of Section 480.3 of the Revenue and Taxation Code. The Preliminary Change of Ownership Report should be submitted to the recorder concurrent with the recordation of any document effecting a change of ownership. If a document evidencing a change of ownership (i.e. Deed, Affidavit-Death Joint Tenant) is presented to the recorder for recording without a preliminary change of ownership report, the recorder may charge an additional \$20.00

\* ) H. In addition to County Transfer Tax, any conveyance of the herein described property may be subject to a City Transfer and/or Conveyance Tax, as follows.

\* ) Only Northern California Preliminary Reports include the information on specific City Transfer and/or Conveyance Tax

\* )

Alameda	\$12.00 per thousand
Albany	\$11.50 per thousand
Berkeley	\$15.00 per thousand
Culver City	\$4.50 per thousand
Emeryville	\$12.00 per thousand
Hayward	\$4.50 per thousand
Los Angeles	\$4.50 per thousand
Mountain View	\$3.30 per thousand
Oakland	\$15.00 per thousand
Palo Alto	\$3.30 per thousand
Petaluma	\$2.00 per thousand
Piedmont	\$13.00 per thousand
Pomona	\$2.20 per thousand
Redondo Beach	\$2.20 per thousand
Richmond	\$7.00 per thousand
Riverside	\$1.10 per thousand
Sacramento	\$2.75 per thousand
San Leandro	\$6.00 per thousand
City and County of San Francisco	Up to \$250,000 = \$5.00 per thousand \$250,000 to \$1,000,000 = \$6.80 per thousand \$1,000,000 to \$5,000,000 = \$7.50 per thousand \$5,000,000 to 10,000,000 = \$20.00 per thousand Above \$10,000,000 = \$25.00 per thousand (Do not add the additional \$1.10 for County Tax, it is included)
San Jose	\$3.30 per thousand
San Mateo	\$5.00 per thousand
San Rafael	\$2.00 per thousand
Santa Monica	\$3.00 per thousand
Santa Rosa	\$2.00 per thousand
Vallejo	\$3.30 per thousand
Waterford	\$0.55 per thousand
Woodland	\$1.10 per thousand

21) Good Funds Law

22) Exhibit A – Legal Description: For use as an attachment in recorded documents

21)

### **CALIFORNIA "GOOD FUNDS" LAW**

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received by Stewart Title of California, Inc. via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed, and you should contact your title or escrow officer. All escrow and sub-escrow funds received will be deposited with other escrow funds in one or more non-interest bearing escrow accounts in a financial institution selected by Stewart Title of California, Inc.. Stewart Title of California, Inc. may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with the financial institution, and Stewart Title of California, Inc. shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc. for its services in connection with the escrow or sub-escrow.

If any check submitted is dishonored upon presentation for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

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22)

### **EXHIBIT "A" LEGAL DESCRIPTION**

Order No.: 01234-567890

The land referred to herein is situated in the State of California, County of Santa Clara, City of San Jose and described as follows:

Lot 11, as delineated upon that certain Map entitled, "Tract No. 1234, Cypress Lane", filed for record in the Office of the Recorder of the County of Santa Clara, State of California on July 7, 1965 in [Book 159 of Maps at Page 22.](#)

Excepting therefrom the underground water or rights thereto, with no rights of surface entry, as Granted to San Jose Water Works, a California Corporation, by Instrument recorded July 27, 1965 in [Book 7006 of Official Records, Page 199.](#)

APN: [654-12-345](#)

(End of Legal Description)

## 23) Copies of the Title Policy Jackets: Exclusions and exceptions from coverage

23)

### CLTA Preliminary Report Form

#### Exhibit A (Revised 06-03-11) 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:

- (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to 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 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.
- (c) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or 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.
- 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.
- Defects, liens, encumbrances, adverse claims or other matters:
  - whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - 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;
  - resulting in no loss or damage to the insured claimant;
  - attaching or created subsequent to Date of Policy; or
  - 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.
- 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.
- Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidencing the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
- Any claim, which arises out of the transaction vesting in the insured the estate of 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.

#### EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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:

- 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.
- 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.
- Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 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.
- (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.
- Any lien or right to a lien for services, labor or material not shown by the public records.

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### CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE EXCLUSIONS

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

- Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
  - building;
  - zoning;
  - land use;
  - improvements on the Land;
  - land division;
  - environmental protection.
 This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
- The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
- The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
- Risks:
  - that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
  - that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
  - that result in no loss to You; or
  - that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
- Failure to pay value for Your Title.
- Lack of a right:
  - to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - in streets, alleys, or walkways that touch the Land.
 This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
- The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy.

#### 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:

Covered Risk	Your Deductible Amount (whichever is less)	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1% of Policy Amount or \$2,500.00	\$10,000.00
Covered Risk 18:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

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### 2006 ALTA 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:

- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to:
  - the occupancy, use, or enjoyment of the Land;
  - the character, dimensions, or location of any improvement erected on the Land;
  - the subdivision of land; or
  - 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.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters:
  - created, suffered, assumed, or agreed to by the Insured Claimant;
  - 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;
  - resulting in no loss or damage to the Insured Claimant;
  - 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
  - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- 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.
- 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.
- 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 fraudulent conveyance or fraudulent transfer; or
  - a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
- 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) which arise by reason of:

- (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.
- Any facts, rights, interests, or claims which 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.
- Easements, liens or encumbrances, or claims thereof, which are not shown by the Public Records.
- 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.
- (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.
- Any lien or right to a lien for services, labor or material not shown by the public records.

(Rev. 06-03-11)  
File Number: 01234-567890

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### 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:

- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to:
  - the occupancy, use, or enjoyment of the Land;
  - the character, dimensions, or location of any improvement erected on the Land;
  - the subdivision of land; or
  - 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.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters:
  - created, suffered, assumed, or agreed to by the Insured Claimant;
  - 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;
  - resulting in no loss or damage to the Insured Claimant;
  - 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
  - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- 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 fraudulent conveyance or fraudulent transfer; or
  - a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
- 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) which arise by reason of:

- (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.
- 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 by making inquiry of persons in possession thereof.
- Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
- 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.
- (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.
- Any lien or right to a lien for services, labor or material not shown by the public records.

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## 24 ) Stewart's Privacy Policy Notice: The Stewart Title family of companies privacy notice which includes the privacy notice for California residents

A written response will be delivered by mail or electronically, at your option.

Any disclosures we provide will only cover the 12-month period preceding the verifiable consumer request's receipt. The response we provide will also explain the reasons we cannot comply with a request, if applicable. For data portability requests, we will select a format to provide your personal information that is readily useable and should allow you to transmit the information from one entity to another entity without hindrance.

Stewart does not charge a fee to process or respond to your verifiable consumer request unless it is excessive, repetitive, or manifestly unfounded. If we determine that the request warrants a fee, we will tell you why we made that decision and provide you with a cost estimate before completing your request.

### Non-Discrimination

Stewart will not discriminate

- Deny you goods or services
- Charge you a different price or penalty
- Provide you a different quality of service
- Suggest that you change to our Privacy Notice

Stewart reserves the right to post the updated notice following the posting of a comment.

### Contact Information

If you have questions or choices and rights regarding

Phone: Toll Free

Website: <http://stewart.com>

Email: [privacy@stewart.com](mailto:privacy@stewart.com)

Postal Address: Stewart

### Access to Specific Information and Data Portability Rights

You have the right to request that Stewart disclose certain information to you about our collection and use of your personal information over the past 12 months. Once we receive and confirm your verifiable consumer request, Stewart will disclose to you:

- The categories of personal information Stewart collected about you.
- The categories of sources for the personal information Stewart collected about you.
- Stewart's business or commercial purpose for collecting that personal information.
- The categories of third parties with whom Stewart shares that personal information.

- This specific piece of information
- If Stewart discloses a category of records

### Deletion Request Right

You have the right to request that we delete your personal information from our systems and any other systems we have access to.

Stewart may deny you access to your personal information if:

1. Complete the transaction reasonably anticipated by you
2. Detect security or technical issues
3. Debug products or services
4. Exercise free speech or other rights by law
5. Comply with the California Consumer Privacy Act
6. Engage in public activities and privacy practices if you previously consented
7. Enable solely internal business operations
8. Comply with a legal obligation
9. Make other internal business operations

### Exercising Access, Data Portability, and Deletion Rights

To exercise the access, data portability, or deletion rights:

- Calling us Toll Free at 1-800-335-9591
- Emailing us at [privacy@stewart.com](mailto:privacy@stewart.com)
- Visiting <http://stewart.com/privacy>

Only you, or someone legally authorized to act on your behalf, may make a verifiable consumer request.

To designate an authorized representative:

You may only make a verifiable consumer request if:

- Provide sufficient information to identify you as the person making the request
- Describe your request

Stewart cannot respond to your request and confirm the performance of your request until we receive a verifiable consumer request.

Making a verifiable consumer request may take up to 45 days, we will inform you of the status of your request.

Response Timing and Fees

We endeavor to respond to your request within 45 days of receipt of your request.

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Stewart obtains the categories of personal information listed above from the following categories of sources:

- Directly and indirectly from customers, their designees or their agents (For example, realtors, lenders, attorneys, etc.)
- Directly and indirectly from activity on Stewart's website or other applications.
- From third-parties that interact with Stewart in connection with the services we provide.

### Use of Personal Information

Stewart may use or disclose your personal information:

- To fulfill or meet a legal obligation
- To provide, support, or improve our products or services
- To create, maintain, or improve our business operations
- To process your transactions
- To prevent and resolve fraud or other illegal activities
- To assist third parties in their business operations
- As necessary or appropriate to provide you with our services
- To provide you with our services
- To personalize and improve our services
- To help maintain and protect our business
- To respond to law enforcement or other legal obligations
- Auditing for compliance with applicable laws and regulations
- Performing services for our customers
- To evaluate or improve our products or services
- To evaluate or improve our business operations
- To respond to law enforcement or other legal obligations
- Auditing for compliance with applicable laws and regulations
- Performing services for our customers

### Disclosure of Personal Information

Stewart does not sell or otherwise disclose your personal information to third parties for their own purposes except per your request.

We share your personal information with:

- Service providers that help us process, analyze, and improve our business operations
- Affiliated companies
- Litigation parties
- Financial rating agencies
- Federal and State agencies

Category A: Identifiers

Category B: Personal information collected in the California Consumer Privacy Act (Cal. Civ. Code § 1798.80(e)).

Category C: Protected classification characteristics under California law.

Category D: Commercial information.

Category E: Biometric information.

Category F: Internet or other similar activity.

Category G: Geolocation data.

Category H: Sensory data.

Category I: Professional or employment information.

Category J: Non-public education information (per the Family Educational Rights and Privacy Act (20 U.S.C. Sec. 1231g(a)(5)(D), 34 C.F.R. Part 99)).

Category K: Inferences drawn from other personal information.

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Effective Date: January 1, 2020

## Privacy Notice for California Residents

Pursuant to the California Consumer Privacy Act of 2018 ("CCPA"), Stewart Information Services Corporation and its subsidiary companies (collectively, "Stewart") are providing this **Privacy Notice for California Residents** ("CCPA Notice"). This CCPA Notice supplements the information contained in Stewart's Privacy Policy for California or are considered in the CCPA.

### Information Stewart Collects

Stewart collects information directly or indirectly, with a business already protect records or other information:

- Publicly available information
- Deidentified or aggregated information
- Certain personal information

Specifically, Stewart has collected the following information:

### Category

A. Identifiers.

B. Personal information collected in the California Consumer Privacy Act (Cal. Civ. Code § 1798.80(e)).

C. Protected classification characteristics under California law.

D. Commercial information.

E. Biometric information.

F. Internet or other similar activity.

G. Geolocation data.

H. Sensory data.

I. Professional or employment information.

J. Non-public education information (per the Family Educational Rights and Privacy Act (20 U.S.C. Sec. 1231g(a)(5)(D), 34 C.F.R. Part 99)).

K. Inferences drawn from other personal information.

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## Stewart Title Guaranty Company Privacy Notice Stewart Title Companies

### WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its title affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information.	Do we share	Can you limit this sharing?
<b>For our everyday business purposes</b> —to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
<b>For our marketing purposes</b> —to offer our products and services to you.	Yes	No
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes</b> —information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. Our affiliates may include companies with a Stewart name: financial companies, such as Stewart Title Company.	Yes	No
<b>For our affiliates' everyday business purposes</b> —information about your creditworthiness.	No	We don't share
<b>For our affiliates to market to you</b> —For your convenience, Stewart has developed a means for you to opt out from its affiliates marketing even though such mechanism is not legally required.	Yes	Yes, send your first and last name, the email address used in your transaction, your Stewart file number and the Stewart office location that is handling your transaction by email to <a href="mailto:optout@stewart.com">optout@stewart.com</a> or fax to 1-800-335-9591.
<b>For non-affiliates to market to you.</b> Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.	No	We don't share

We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

### SHARING PRACTICES

<b>How often do the Stewart Title Companies notify me about their practices?</b>	We must notify you about our sharing practices when you request a transaction.
<b>How do the Stewart Title Companies protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer file and building safeguards.
<b>How do the Stewart Title Companies collect my personal information?</b>	We collect your personal information, for example, when you request insurance-related services provide such information to us. We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
<b>What sharing can I limit?</b>	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact us: If you have any questions about this privacy notice, please contact us at Stewart Title Guaranty Company, 1360 Post Oak Blvd., Ste. 100, Privacy Officer, Houston, Texas 77056

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Revised 01-01-2020

25) Assessor Map: Showing location of subject property. No representations or warranties are made with respect to the accuracy of completeness of the map



