

ORDER NO. 42817.0

POLICY NO. 35-130593

SCHEDULE A

AMOUNT OF INSURANCE:
\$39,650.00

DATE OF POLICY
Aug. 14, 1986
@ 8:00 A.M.

PREMIUM
\$280.00

1. NAME OF INSURED:

PETER A. DREW AND SHARI S. DREW

2. THE ESTATE OR INTEREST IN THE LAND DESCRIBED HEREIN AND WHICH IS COVERED BY THIS POLICY IS:

A FEE

3. THE ESTATE OR INTEREST REFERRED TO HEREIN IS AT DATE OF POLICY VESTED IN:

PETER A. DREW AND SHARI S. DREW
husband and wife, as joint tenants

4. THE LAND REFERRED TO IN THIS POLICY IS SITUATED IN THE COUNTY OF VENTURA, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED

This policy valid only if Schedule B is attached.

Order No. 42817.1

EXHIBIT "A"

Lots 1 and 2 in Section 19, Township 4 North, Range 19 west, San Bernardino Meridian in the County of Ventura, State of California, according to the official plat thereof.

This policy does not insure against loss or damage, nor against costs, attorney's fees or expenses, any or all of which arise by reason of the following:

PART 1

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 record 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 by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in areas, 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.
6. Any right, title, interest, estate or easement in land beyond the lines of the area specifically described or referred to in Schedule A, or in abutting streets, roads, avenue, alleys, lanes, ways or waterways, but nothing in this paragraph shall modify or limit the extent to which the ordinary right of an abutting owner for access to a physically open street or highway is insured by this policy.
7. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law, ordinance or governmental regulation.
8. Rights of eminent domain or governmental rights of policy power unless notice of the exercise of such rights appears in the public records.
9. Defects, liens, encumbrances, adverse claims, or other matters (a) created suffered, assumed or agreed to by the insured claimant; (b) not shown by the public record and not otherwise excluded from coverage but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy or acquired the insured mortgage and not disclosed in writing by the insured claimant to the company prior to the date such claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had been a purchaser or encumbancer for value without knowledge.

SCHEDULE "B" PART II

1. General and special county of Ventura Taxes for the fiscal year 1986-87, a lien not yet payable.

Together with such additional amounts as may be assessed by reason of:

- A. Any final judgment that Article XIII A of the California Constitution is invalid, unconstitutional or has been applied improperly;
- B. Improvements added after March 1, 1975;
- C. Change of ownership subsequent to March 1, 1975;
- D. Reappraisal of property values as of March 1, 1975.

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. Unpatented mining claims

4. Reservations contained in the patent

From : United States of America

Recorded : May 18, 1911 in book 4 page 213 of patents as follows:

Subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights as may be recognized and acknowledged by the local customs, laws and decisions of courts; and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom should the same be found to penetrate or intersect the premises hereby granted, as provided by law; and there is reserved from the lands hereby granted a right of way thereon, for ditches or canals constructed by the authority of the United States.

5. An easement for electric lines and incidental purposes, as granted to Southern California Edison Company, a corporation by deed

Recorded : Feb. 1, 1928 in book 193 page 16 and Jun. 2, 1928 in book 203 page 251 both of Official Records

Affects : Lot 2

6. An easement for electric lines and incidental purposes, as granted to Southern California Edison Company, a corporation by deed

Recorded : Jan. 23, 1957 in book 1476 page 461 of Official Records

Affects : Portions of said land

SCHEDULE B (cont'd) PART II

7. Covenants, conditions, restrictions, reservations and provisions set forth in the deed last above mentioned, which provide in part as follows:

Grantee shall have the right to trim and top trees adjacent to said right of way for a distance of 50 feet beyond the exterior boundaries of said right of way; that the grantor his heirs, successors and assigns, in prospecting for or developing oil, gas, petroleum or other mineral or hydrocarbon substances, will do so from adjacent land and in such a manner as not to endanger or interfere with the structures erected or installed by the grantee or with the operation of the electric transmission lines or pipe lines of the grantee, and will not construct, place or maintain, or permit to be constructed, placed or maintained any oil or mud sump, derrick, drilling, rig, oil storage tank or other structure of any kind whatsoever, on any portion of said above described strip of land, and will not construct, place or maintain, or permit to be constructed, placed or maintained within 100 feet of the exterior boundary lines of said above described strip of land, or on any other land owned by the grantor, his heirs, successors or assigns, within 100 feet of the exterior boundary line of said above described strip of land, any oil or mud sumps, derrick, drilling, rig, oil storage tank or other structure for use in connection with the prospecting for, developing, extracting and/or refining of oil, gas, petroleum and/or other mineral or hydrocarbon substances; and it is further understood and agreed that no other easement or easements shall be granted on, under or over said strip of land by the grantor to any person, firm or corporation without the previous written consent of said grantee.

8. An easement for electric lines and incidental purposes, as granted to Southern California Edison Company, a corporation by deed

Recorded : Mar. 25, 1957 in book 1495 page 484 of Official Records
Affects : Portions of said land

9. Covenants, conditions, restrictions, reservations and provisions set forth in the deed last above mentioned, which provides in part the following;

SCHEDULE B (cont'd) PART II

Grantee shall have the right to trim and top trees adjacent to said right of way for a distance of 50 feet beyond the exterior boundaries of said right of way; that the grantor his heirs, successors and assigns, in prospecting for or developing oil, gas, petroleum or other mineral or hydrocarbon substances, will do so from adjacent land and in such a manner as not to endanger or interfere with the structures erected or installed by the grantee or with the operation of the electric transmission lines or pipe lines of the grantee, and will not construct, place or maintain, or permit to be constructed, placed or maintained any oil or mud sump, derrick, drilling, rig, oil storage tank or other structure of any kind whatsoever, on any portion of said above described strip of land, and will not construct, place or maintain, or permit to be constructed, placed or maintained within 100 feet of the exterior boundary lines of said above described strip of land, or on any other land owned by the grantor, his heirs, successors or assigns, within 100 feet of the exterior boundary line of said above described strip of land, any oil or mud sumps, derrick, drilling, rig, oil storage tank or other structure for use in connection with the prospecting for, developing, extracting and/or refining of oil, gas, petroleum and/or other mineral or hydrocarbon substances; and it is further understood and agreed that no other easement or easements shall be granted on, under or over said strip of land by the grantor to any person, firm or corporation without the previous written consent of said grantee.

10. An easement for the purposes herein stated, affecting that portion of said land hereinafter described, upon the terms and conditions as stated therein;

In Favor of: STANDARD GASOLINE COMPANY, A CORPORATION AND STANDARD
OIL COMPANY OF CALIFORNIA, A CORPORATION
For : PIPE LINES, TOGETHER WITH THE RIGHT OF INGRESS AND
EGRESS TO AND FROM THE SAME
Affects : LOT 2
Recorded : Jul. 11, 1960 in book 1887 page 101 of Official Records

11. An easement for the purposes herein stated, affecting that portion of said land hereinafter described, upon the terms and conditions as stated therein;

In Favor of: WESTATES PETROLEUM COMPANY, A CORPORATION
For : Pipelines
Affects : A portion of said land
Recorded : Oct. 16, 1969 in book 3565 page 46; Dec. 30, 1969 in book
3600 page 312; Dec. 30, 1969 in book 3600 page 314;
Dec. 30, 1969 in book 3600 page 316; Dec. 30, 1969 in
book 3600 page 318 all of Official Records

The use of the area affected by said easement shall be limited as follows :

SCHEDULE B (cont'd) PART II

"Grantor shall not erect any building or other permanent structures or plant trees or drill or excavate or place fill material either within the right of way strip herein after defined or over any pipe lines laid pursuant to the grant or within such distance of any such pipe line as will damage or endanger the same or interfere with the maintenance or operation thereof.

And further provides: "All pipe lines installed pursuant to this grant shall, when installed, lie within a right of way strip twenty five (25) feet in width, the centerline of which right of way strip shall be designated by depositing a written description of such centerline for record in the office of the County Recorder of said County eith before or after the commencement of any operations hereunder, but in any event within one year from the date hereof.:

12. An easement for the purposes herein stated, affecting that portion of said land hereinafter described, upon the terms and conditions as stated therein;

In Favor of: M R & B INDUSTRIES, INC., a California Corporation
For : Road, utility and related purposes
Affects : A strip of land 30 feet in width the centerline of said easement being the center line of the presently existing paved road now running through Lots 1 and 2 of Section 19, Township 4 North range 19 west, San Bernardino Meridian, as per the official plat thereof.
Recorded : Feb. 26, 1976 in book 4546 page 52 of Official Records

The requirement that the respective spouses of the vestees herein, join in on the execution of any conveyance of said land.

HOMEOWNER'S INFLATION PROTECTION ENDORSEMENT

ATTACHED TO POLICY NO. 35- 130593
ISSUED BY

FIDELITY NATIONAL TITLE INSURANCE COMPANY

The Company, recognizing the current effect of inflation on real property valuation and intending to provide additional monetary protection to the Insured Owner named in said Policy, hereby modifies said Policy, as follows:

1. Notwithstanding anything contained in said Policy to the contrary, the amount of insurance provided by said Policy, as stated in Schedule A thereof, is subject to cumulative annual upward adjustments in the manner and to the extent hereinafter specified.
2. "Adjustment Date" is defined, for the purpose of this Endorsement, to be 12:01 a.m. on the first January 1 which occurs more than six months after the Date of Policy, as shown in Schedule A of the Policy to which this Endorsement is attached, and on each succeeding January 1.
3. An upward adjustment will be made on each of the Adjustment Dates, as defined above, by increasing the maximum amount of insurance provided by said Policy (as said amount may have been increased theretofore under the terms of this Endorsement) by the same percentage, if any, by which the United States Department of Commerce Composite Construction Cost Index (base period 1967) for the month of September immediately preceding exceeds such Index for the month of September one year earlier; provided, however, that the maximum amount of insurance in force shall never exceed 150% of the amount of insurance stated in Schedule A of said Policy, less the amount of any claim paid under said Policy which, under the terms of the Conditions and Stipulations, reduces the amount of insurance in force. There shall be no annual adjustment in the amount of insurance for years in which there is no increase in said Construction Cost Index.
4. In the settlement of any claim against the Company under said Policy, the amount of insurance in force shall be deemed to be the amount which is in force as of the date on which the insured claimant first learned of the assertion or possible assertion of such claim, or as of the date of receipt by the Company of the first notice of such claim, whichever shall first occur.

PROVIDED, HOWEVER, this endorsement shall be effective only if one of the following conditions exists at Date of Policy:

- a. The land described in this policy is a parcel on which there is only a one-to-four family residential structure, including all improvements on the land related to residential use, in which the Insured Owner resides or intends to reside; or,
- b. The land consists of a residential condominium unit, together with the common elements appurtenant thereto and related to residential use thereof, in which the Insured Owner resides or intends to reside.

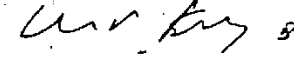
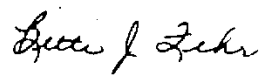
This Endorsement is made a part of the policy or commitment and is subject to all the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy or commitment and prior endorsements, if any, nor does it extend the effective date of the policy or commitment and prior endorsements or increase the face amount thereof.

FIDELITY NATIONAL TITLE INSURANCE COMPANY


Authorized Signatory

Note: This endorsement shall not be valid or binding until countersigned by an authorized signatory.



By 
President
Attest 
Secretary

NOTE: In connection with a future application for title insurance covering said land, reissue credit on premium charges (if applicable at all) will be allowed only upon the original face amount of insurance as stated in Schedule A of said Policy.



INDORSEMENT
FIDELITY NATIONAL TITLE
INSURANCE COMPANY

Attached to and forming a part of

35-130593

No. 42817

1. This Indorsement shall be effective only if at Date of Policy there is located on the land described in said Policy a single family residential structure, in which the Insured Owner resides or intends to reside. For the purpose of this Indorsement the term "residential structure" is defined as the principal dwelling structure located on said land together with all improvements thereon related to residential use of the property except plantings of any nature, perimeter fences and perimeter walls, and the term "insured owner" is defined as any insured named in paragraph 3 of Schedule A and, subject to any rights or defenses the Company may have had under said Policy and all indorsements, such insured's heirs, distributees, devisees, survivors, personal representatives or next of kin.
2. The Company hereby insures the Insured Owner of the estate or interest described in Schedule A against loss or damage which the Insured Owner shall sustain by reason of:
 - a. the existence at Date of Policy of any of the following matters:
 - [1] lack of a right of access from said land to a public street;
 - [2] any statutory lien for labor or materials attaching to said estate or interest arising out of any work of improvement on said land, in progress or completed at the date of the policy, except those liens arising out of a work of improvement for which the insured has agreed to be responsible.
 - b. the removal of the residential structure or the interference with the use thereof for ordinary residential purposes as the result of a final Court Order or Judgment, based upon the existence at the Date of the Policy of:
 - [1] any encroachment of said residential structure or any part thereof onto adjoining lands, or onto any easement shown as an exception in part II of Schedule B of said Policy, or onto any unrecorded subsurface easement;
 - [2] any violation on the land of enforceable covenants, conditions or restrictions, provided that this coverage shall not refer to or include the terms, covenants and conditions contained in any lease, sub-lease, or contract of sale referred to in this Policy;
 - [3] any violation of applicable zoning ordinances to the extent that such ordinances regulate (a) area, width or depth of the land as a building site for the residential structure; (b) floor space area of the residential structure; (c) set back of the residential structure from the property lines of the land; or (d) height of the residential structure.
 - c. damage to the residential structure resulting from the exercise of any right to use the surface of said land for the extraction or development of the minerals excepted from the description of said land or shown as a reservation in Schedule B.

The total liability of the Company under said Policy and all indorsements attached thereto shall not exceed, in the aggregate, the amount of said Policy and costs which the Company is obligated under the conditions and stipulations thereof to pay; and nothing contained herein shall be construed as extending or changing the effective date of said Policy.

This Indorsement is made a part of said Policy and is subject to the schedules, conditions and stipulations therein, except as modified by the provisions hereof.

FIDELITY NATIONAL TITLE INSURANCE COMPANY

Countersigned:

Joseph A. Beckerle
Authorized Signature



By

W. R. King

President

Attest

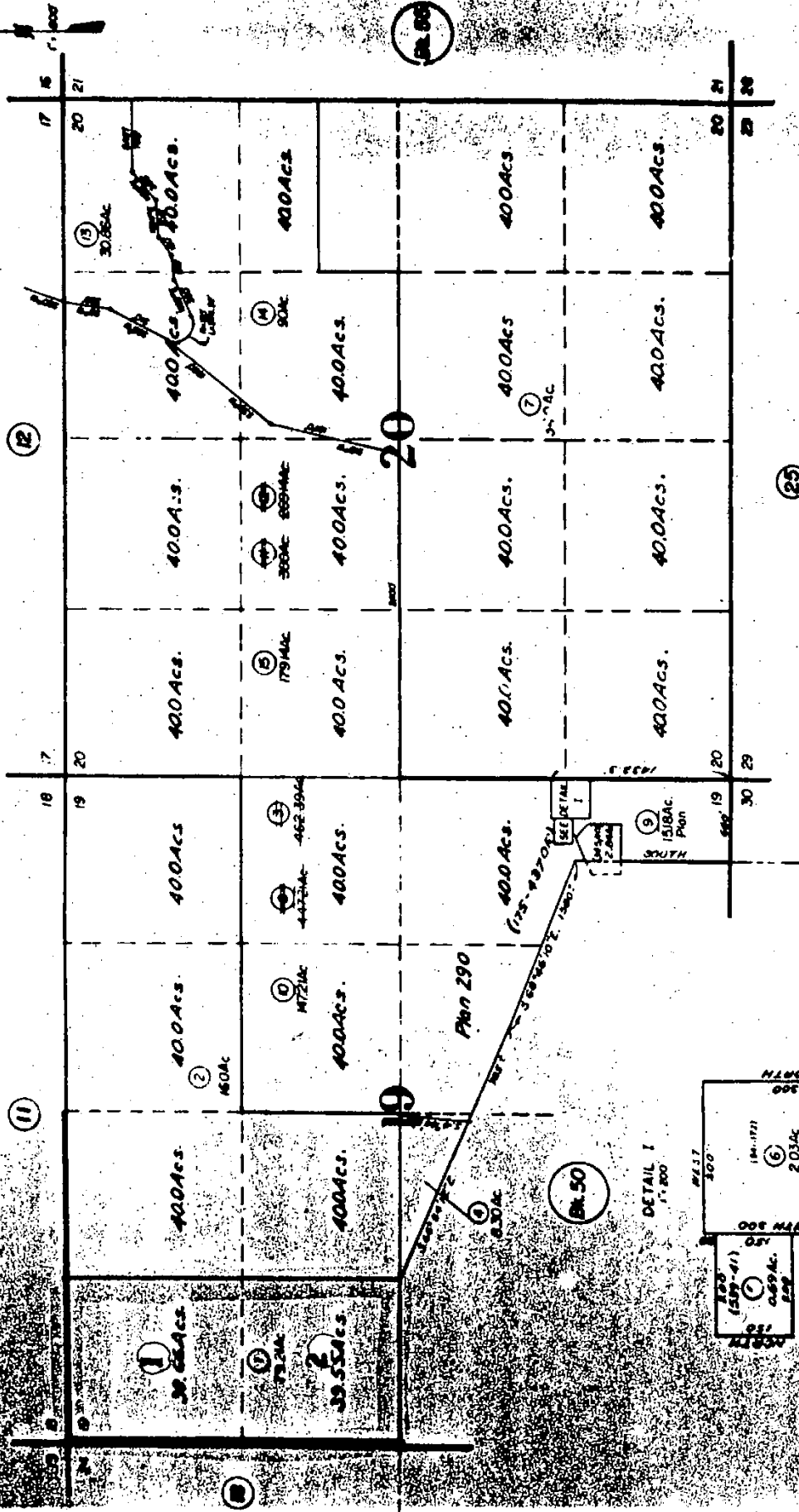
Debra J. Zehr

Secretary

41-19

Tax Rate Area
62004

T.4N. R.19W. S.8.B.6M.



Assessor's Map Bl. 41, Pg. 19
County of Ventura, Calif.

NOTE - Assessor's Block Numbers Shown in Ellipses
Assessor's Parcel Numbers Shown in Circles
Assessor's Acreage Numbers Shown in Squares

THIS MAP IS FURNISHED FOR
INFORMATION ONLY. NO LIABILITY
IS ASSUMED BY THIS COMPANY AS
TO THE ACCURACY THEREOF.

