



INYO-MONO TITLE COMPANY

PRESENTS...

THE PRELIMINARY REPORT

SINCE 1913

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The Review

It is important for all parties to review the Preliminary Report

The Preliminary Report is an offer to issue a policy of title insurance covering a particular estate or interest in land subject to stated exceptions.

Since these exceptions may point to potential problems with your intended purchase, it is important for all parties to review the report once it is received.

A Preliminary Report provides a list of the matters which will be shown as exceptions to coverage in a designated policy or policies of title insurance, if issued currently, covering a particular estate or interest in land. It is designed to provide an interim, or "preliminary" response to an application for title insurance and is intended to facilitate the issuance of the designated policy or policies. It is normally prepared after application (order) for such policy(ies) of title insurance on behalf of the principals to a real property transaction, for the purpose of facilitating requirements relative to closing and policy issuance in form and content approved by those parties.

If a title policy is not contemplated, a Preliminary Report should not be ordered. Instead consideration should be given to requesting a Condition of Title Report or other similar title product.

The Preliminary Report states on its face that it is made solely to facilitate the subsequent issuance of a title insurance policy and that the insurer assumes no liability for errors in the report. Accordingly, any claim arising from a defect in title must be made under the title policy and not the Preliminary Report.

After a title order has been placed, matters relative to the title policy coverage on the subject property are assembled in a title search package and examined by skilled technicians. This is when the Preliminary Report is prepared and sent to the customer. The report contains relevant information so that the parties to the transaction will become aware of matters which will not be insured against by the title company. This report is issued before the title policy, hence the name Preliminary Report.

The Matters

Those matters shown in the report are as follows:

1

The estate of interest covered.

2

The owner of the estate or interest.

3

The parcel of land involved.

4

The exceptions, liens, encumbrances and other risks which will not be insured against if a Title Policy is issued.

5

Other requirements and provisions which are reflected as "Notes" in the Preliminary Report which are removed if and when a title policy is issued.

Please note: This brochure is intended for general information purposes and is not to be relied on in interpreting the full legal effect of the documents and words shown herein.



The Commentary- Preliminary Report



PRELIMINARY REPORT

SERVING INYO AND MONO COUNTIES SINCE
1913

873 North Main Street
Bishop, CA 93514
760-872-4741 Phone
760-873-8938 Fax
sobrien@inyomonotitle.com

Inyo-Mono Title Company
Attn: Caroline Phillips
873 N. Main Street
Bishop, CA 93514

Date Issued: April 1, 2019
Your No. Jones
Our No. IMT-00000555-CP

Effective date of this report is: **April 1, 2019 @ 7:30 a.m.**

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

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

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 form of policy of title insurance contemplated by this report is:
ALTA Loan Policy (6/17/2006)**

Sean O'Brien, Title Officer
sobrien@inyomonotitle.com

THIS REPORT IS SUBJECT TO A MINIMUM CANCELLATION CHARGE AS REQUIRED UNDER SECTION 12404 OF THE STATE OF CALIFORNIA INSURANCE CODE.

CLTA Preliminary Report Form - Modified (Adopted: 11.17.2006)

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1

This paragraph specifies that no liability is ever intended under a preliminary report, and further indicates what should be requested if the customer desires assumption of liability prior to policy issuance.

This paragraph specifies the minimum cancellation charge per section 12404 of the State of California Insurance Code.

1. This number identifies the Title Order Number and Title Officer Initials for reference.

2. This identifies the Address for the real property being searched.

3. This indicates the date and time that matters affecting the title to the real property therein have been examined and re-reported in the Prelim.

4. This section defines the type of coverage intended to be issued when the policy is issued.

5. A Fee Simple is the highest type of estate or interest an owner can have in land, freely trans-ferable and inheritable, and whose owner is entitled to pos-session.

6. This shows the owner of record and how title is vested (how the owner holds title to the land i.e. a single man, a widow, husband and wife as joint tenants, etc.) for the real property therein.

7. The Legal Description and Assessor's Parcel Number (APN) of the real property covered in the Prelim.

8. Identifies the escrow contact for the order and includes the escrow number for identification purposes.

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INYO-MONO
TITLE COMPANY

ISSUING OFFICE: 873 North Main Street Bishop, CA 93514

FOR SETTLEMENT INQUIRIES, CONTACT:
Caroline Phillips
cphillips@inyomonotitle.com
760-873-5821 • FAX 760-873-8938

PRELIMINARY REPORT

Title Officer: Sean O'Brien Email: Sobrien@inyomonotitle.com Phone No.: (760)872-4741 Fax No.: (760) 873-8938 Title No.: IMT-00000555-CP	Escrow Officer: Caroline Phillips Email: cphillips@inyomonotitle.com Phone No.: 760-934-3302 Fax No.: 800-800-5678 Escrow No.: IMT-00000555-CP
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PROPERTY ADDRESS(ES): 218 Sierra Park Road, Mammoth Lakes, CA

EFFECTIVE DATE: April 1, 2019 at 07:30 AM

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

ALTA Homeowner's Policy of Title Insurance 2013
ALTA Loan Policy 2006

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

Fee

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

John Jones and Linda Jones, trustees of the Jones Family Trust dated January 15, 2010

3. The Land referred to in this Report is described as follows:

For APN/Parcel ID(s): 035-210-005-000

LOT 10 OF TRACT NO. 36-217, A PLANNED UNIT DEVELOPMENT, IN THE TOWN OF MAMMOTH LAKES, COUNTY OF MONO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10 PAGE 80 THROUGH 80A OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

CLTA Preliminary Report Form - Modified (Adopted: 11.17.2006) 2 Printed: 04.01.19 @ 07:30 AM



1. Taxes

Note for future taxes due on next annual Tax Bill.

2. Taxes

Shows the current tax amounts and the payment status of that tax year.

3. Taxes

Shows that this specific property has past due taxes and the amounts due to bring them current.

4. Supplemental Taxes

Shows that supplemental taxes may be due and/or assessed on subsequent tax bills.

5. Mello-Roos Taxes

Shows that the property is within a district that has Mel-lo-Roos taxes which are included in the annual tax bill. Also states that these can be stripped from the taxes and foreclosed upon after failure to pay said taxes.

6. CC&R's

This item indicates that there are covenants, conditions and restrictions of which owners of this property are required to abide by.

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

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 2019-2020

2. Property taxes, including any personal property taxes and any assessments collected with taxes, are as follows:

Tax Identification No.:	-035-210-005-00
Fiscal Year:	20 18-2019
1 st Installment:	\$1,427.63, unpaid (Due after December 10)
Penalty:	\$142.76
2 nd Installment:	\$1,427.63, unpaid (Due after April 10)
Penalty and Cost:	\$152.76
Homeowners Exemption:	\$0.00
Code Area:	018-225

3. Said property has been declared tax defaulted for non-payment of delinquent taxes for the fiscal year 2010-2016.

Default No.: 035-210-005-000-01

Amounts to redeem for the above-stated fiscal year (and subsequent years if any) are:

Amount: \$4,056.25 by April 30, 2019

Amount: \$4,135.25 by May 31, 2019

4. 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.

5. The herein described Land is within the boundaries of the Mello Roos Community Facilities District(s). The annual assessments, if any, are collected with the county property taxes. Failure to pay said taxes prior to the delinquency date may result in the above assessment being removed from the county tax roll and subjected to Accelerated Judicial Bond Foreclosure. Inquiry should be made with said District for possible stripped assessments and prior delinquencies.

6. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording Date: December 14, 1990

Recording No: 454080, Official Records

Said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.

Modification(s) of said covenants, conditions and restrictions

Recording Date: December 27, 1990

Recording No: as instrument no. 465698; January 3, 1991 as instrument no.

3337; August 19, 1992 as instrument no. 309822; July 3, 1991 as instrument no. 227100 and July 30, 1991 as instrument no. 259640, all of Official Records

7&8. Easements

These items indicate that there are easements of record affecting the land for stated purposes. When clearly defined the location of said easement will be set out. These can be dedicated on a filed map or recorded in an instrument at the Recorders Office.

9. Deed of Trust

This indicates a voluntary encumbrance against the property for monies which are secured against the property. It will show the original loan amount, dated date, recording date, borrower, lender and trustee.

10. Solar Energy System Contract

This indicates that a solar energy system is presently located on the property and terms of a recorded contract are in effect regarding this system.

11. Solar Financing Statement

Shows that a financing statement regarding a solar energy system has been recorded against the property.

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EXCEPTIONS
(continued)

7. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Purpose: public utilities
Recording Date: February 20, 1991
Recording No.: 91-056471, Official Records
Affects: as follows:

various strips of land, 6.00 feet in width, lying within all those lots bounded on one or more sides by roads or highways, as shown on the map of said tract; a sideline of each of said strips shall in all cases be coincidental with the right of way line of said roads and highways.

8. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Purpose: public utilities
Recording Date: October 26, 1993
Recording No.: 421777, Official Records
Affects: a portion of said land

9. A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$225,000.00
Dated: March 13, 2012
Trustor/Grantor: John Jones and Linda Jones, husband and wife, as joint tenants
Trustee: Inyo-Mono Title Company
Beneficiary: Chase Home Loans
Loan No.: 0005532467
Recording Date: March 18, 2012
Recording No.: as instrument no. 2012-033211, Official Records

10. Any right, title or interest of Sunbeam Solar in or to the solar energy system located on the Land as disclosed by that certain Notice of Independent Solar Energy System Producer Contract recorded

Recording Date: 12/12/2015
Recording No.: 2015-56789

NOTE: The Company requires a separate termination of contract and that said termination of contract be submitted to the Title Officer for review in order to remove this exception.

11. A financing statement as follows:

Debtor: John Jones and Linda Jones
Secured Party: Sunbeam Solar
Recording Date: December 12, 2016
Recording No.: 2016-56790



12&13. Trust Vesting

Statement wherein it specifies that because the ownership is in a Trust it must be reviewed for insurability and a copy of the Trust including amendments and a Trust Certification will be required.

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EXCEPTIONS (continued)

12. Any invalidity or defect in the title of the vestees in the event that the trust referred to herein is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.

If title is to be insured in the trustee(s) of a trust, (or if their act is to be insured), this Company will require a Trust Certification pursuant to California Probate Code Section 18100.5.

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

13. This Company will require a full copy of the trust agreement and any amendments thereto.

END OF EXCEPTIONS

Notes

Other requirements and provisions which are reflected as "Notes" which are removed if and when a title policy is issued.

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NOTES

- Note 1.** Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.
- Note 2.** 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 3.** If this company is requested to disburse funds in connection with this transaction, Chapter 598, Statutes of 1989 mandates hold periods for checks deposited to escrow or sub-escrow accounts. The mandatory hold period for cashier's checks, certified checks and teller's checks is one business day after the day deposited. Other checks require a hold period of from two to five business days after the day deposited. In the event that the parties to the contemplated transaction wish to record prior to the time that the funds are available for disbursement (and subject to Company approval), the Company will require the prior written consent of the parties. Upon request, a form acceptable to the company authorizing said early recording may be provided to Escrow for execution.
- Wire Transfers
- There is no mandated hold period for funds deposited by confirmed wire transfer. The Company may disburse such funds the same day.
- Note 4.** 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.
- Note 5.** Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
- Note 6.** Note: None of the items shown in this report will cause the Company to decline to attach ALTA Endorsement Form 9 to an Extended Coverage Loan Policy, when issued.
- Note 7.** Note: The Company is not aware of any matters which would cause it to decline to attach CLTA Endorsement Form 116 indicating that there is located on said Land a single family residence, known as 1218 Sierra Park Road, Mammoth Lakes, CA to an Extended Coverage Loan Policy.
- Note 8.** Note: The Company and its policy issuing agents are required by Federal law to collect additional information about certain transactions in specified geographic areas in accordance with the Bank Secrecy Act. If this transaction is required to be reported under a Geographic Targeting Order issued by FinCEN, the Company or its policy issuing agent must be supplied with a completed ALTA Information Collection Form ("ICF") prior to closing the transaction contemplated herein.
- Note 9.** Note: Pursuant to Government Code Section 27388.1, as amended and effective as of 1-1-2018, a Documentary Transfer Tax (DTT) Affidavit may be required to be completed and submitted with each document when DTT is being paid or when an exemption is being claimed from paying the tax. If a governmental agency is a party to the document, the form will not be required. DTT Affidavits may be available at a Tax Assessor-County Clerk-Recorder.



Notes

Other requirements and provisions which are reflected as "Notes" which are removed if and when a title policy is issued.

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NOTES (continued)

Note 10. Due to the special requirements of SB 50 (California Public Resources Code Section 8560 et seq.), any transaction that includes the conveyance of title by an agency of the United States must be approved in advance by the Company's State Counsel, Regional Counsel, or one of their designees.

Note 11. In order to complete this report, the Company requires a Statement of Information to be completed by the following party(ies),

Party(ies): All Parties

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

NOTE: The Statement of Information is necessary to complete the search and examination of title 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 affect 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.

END OF NOTES

Assessor's Parcel Map

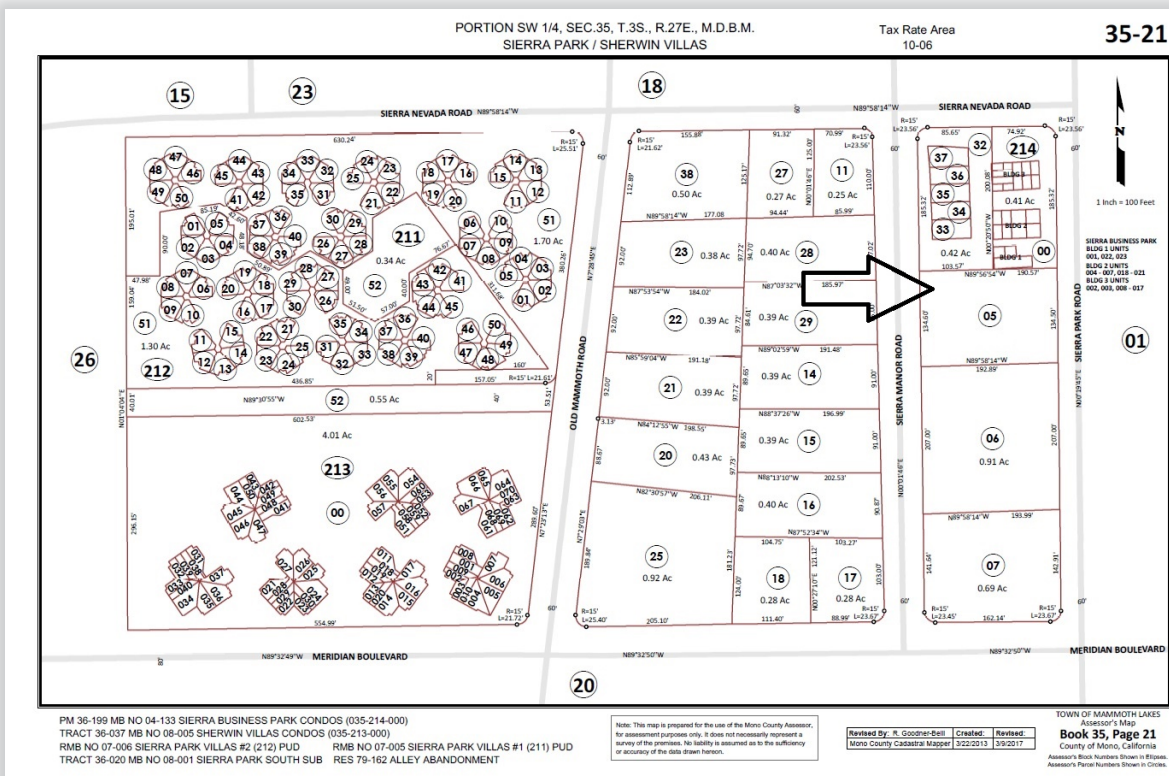
This map is a reduced size copy of the County Assessor's Parcel Map. It is included for informational purposes only and the Company assumes no liability for any loss occurring by reason of release of the map.

Map Book and page number

Identification of the property in question

Disclaimer

Subdivision, Re-recorded Map Book and Page





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Call your local Inyo-Mono Title Company representative for more details or specific policy language pertaining to any of our title products. We are locals who hire locals and have been serving the Eastern Sierra since 1913.