



**PRIORITY
TITLE**

“WHERE THE CUSTOMER IS OUR FIRST PRIORITY”

HOW TO READ A PRELIMINARY TITLE REPORT

Priority Title
17327 Ventura Blvd, STE 215
Encino, CA 91316

John Doe
Sample Escrow 1234 Preliminary
Way Riverside, CA 92507

Customer Reference: 11223-JD

Order Number: L49600

Title Officer: Marianna Cazares
Phone: (818)616-2862
Fax No.: (818)279-2730
E-Mail: EncinoTeam@Prioritytitle.biz

Bill Buyer and Rich Buyer

Pete Seller and Carissa Seller

9876 Title Court
Moreno Valley, California

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HOW TO READ A PRELIMINARY TITLE REPORT

A Preliminary Title Report (PR) is a report which shows the terms upon which the company may issue its policy. It does not constitute a policy nor a commitment to issue such a policy. Also set out in the PR are information items that will assist the customer in closing the proposed transaction thus enabling Priority Title to issue its policy(ies) of title insurance.

The PR is issued after a thorough title search has been made on the real property and all the documents affecting said property have been examined to determine their effect on said property.

The title search is made of the public record, generally including the following offices:

- The county recorder of the county in which the real property is located.
- The taxing authority(ies) that levies(y) taxes and assessments on real property.

In addition to the above mentioned public records, certain types of policies to be issued by Priority Title require that we make a physical inspection of the property. This inspection may disclose additional encumbrances or rights of the other parties in and to said property not disclosed by the public records.

Following is a brief explanation of some of the more common items shown in a PR together with an explanation for some of the preprinted items shown therein.

The Preliminary Report provided herein is a sample of what a customer would receive shortly after placing the title order with Priority Title.



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1. Priority Title Office Address
2. Escrow Office and Officer or Listing Agent Office and Agent
3. Escrow's reference #
4. Priority Title Order Number
5. Title Officer Contact Information
6. Buyer/Borrower
7. Seller/Owner
8. Property Address
9. Paragraph references that the company is prepared to issue a policy, elsewhere referred to, and points out the fact that there are exceptions and exclusions in the policy form and additional exceptions listed in the report which would not be insured against by the policy.
10. Paragraph points out the fact that the language of preprinted exceptions and exclusions is set forth verbatim in Exhibit "A" and encourages the reading of the policy forms.
11. 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 the policy issuance.



1	<p>Priority Title 17327 Ventura Blvd, STE 215 Encino, CA 91316</p>
2	<p>Jane Doe Sample Escrow 1234 Preliminary Way Riverside, CA 92507</p>
3	<p>Customer Reference: 11223-JD</p>
4	<p>Order Number: L49600</p>
5	<p>Title Officer: Marianna Cazares Phone: (818)616-2862 Fax No.: (818)279-2730 E-Mail: EncinoTeam@Prioritytitle.biz</p>
6	<p>Buyer: Bill Buyer and Rich Buyer</p>
7	<p>Owner: Pete Seller and Carissa Seller</p>
8	<p>Property: 9876 Title Court Moreno Valley, California 92555</p>
9	<p>In response to the above referenced application for a policy of title insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a First American Title Insurance 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 referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.</p>
10	<p>The printed Exceptions and Exclusions from the coverage of said Policy or Policies are set forth in Exhibit A attached. Copies of the Policy forms should be read. They are available from the office which issued this report.</p> <p>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.</p> <p>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.</p>
11	<p>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 Commit-</p>



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12. Date represents the date and time, up to which matters affecting the title to the land therein described, have been examined and reported therein. This normally is the same as the "plant Date" (i.e. the date to which the title plant record of the land and the "G.I." General Index) have been posted.

13. References the form of policy to be issued.

14. Shows who holds the interest.

15. A Fee (the word estate is used to express the degree, quantity, nature, duration or extent of an interest in land). A Fee is the highest type of estate or interest an owner can have in land – freely transferable and inheritable and whose owner is entitled to possession.

16. Legal description to the land referred to herein.

17. Taxes – First item shown on the "Schedule B" is a statement regarding the amount and status of the current year taxes.

18. Tax Default – Tax delinquencies for a prior year or years that have rolled over into default status with the county tax collector.

19. Supplemental taxes – Tax reassessment which attach upon the transfer of ownership or new construction on the land.



12	Dated as of July 22, 2015 at 7:30 A.M.
13	The form of Policy of title insurance contemplated by this report is: Eagle Owners Policy and ALTA Extended Lenders Policy A specific request should be made if another form or additional coverage is desired.
14	Title to said estate or interest at the date hereof is vested in: Pete Seller and Carissa L. Seller, Husband and Wife as Joint Tenants
15	The estate or interest in the land hereinafter described or referred to covered by this Report is: A fee.
16	The Land referred to herein is described as follows: (See attached Legal Description) At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:
17	1. General and special taxes and assessments for the fiscal year 2014-2015, a lien not yet due or payable.
17	2. General and special taxes and assessments for the fiscal year 2013-2014. First Installment: \$1,555.90, PAID Penalty: \$166.90 Second Installment: \$1,555.90, OPEN Penalty: \$176.90 Tax Rate Area: 001-000 A. P. No.: 9876-543-210
18	3. The lien of defaulted taxes for the fiscal year 2010-2011, and any subsequent delinquencies. Tax Rate Area: 001-000 A. P. No.: 9876-543-210 Amount to redeem: \$4,956.99 Valid through: February 28, 2014 Amount to redeem: \$5,004.99 Valid through: March 31, 2014
19	4. Supplemental taxes for the fiscal year 2012-2013 assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code. First Installment: \$90.89, DELINQUENT Penalty: \$9.09



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20. Recorded Easement – An Easement is a right or interest in the land which entitles the holder thereof to some use, privilege or benefit (I.E. to install poles, wires, pipelines, roads for travel over, etc...) upon or over said land.

21. The expression Covenants, Conditions and Restrictions commonly referred to as "CCR'S" and is used as a reference to limitations or qualifications on land use.

22. Deed of Trust – A Deed of trust is a three party installment under which an owner of land (Trustor) Conveys land to a trustee for the benefit of the lender (beneficiary) to secure the borrower's obligation, usually payment of money evidences by a promissory note to the lender. The trustee has limited powers (reconvey, foreclose, non-judicially, etc..) as specifically conferred to it by the beneficiary.

23. Assignment – An Assignment is the transfer of the beneficial interest under the deed of trust from the original beneficiary, or successor in interest, to another.

24. Notice of Default – the obligations under the trust deed were not met (i.e. failure to pay monthly installments) and, therefore, a notice of said default was recorded.

25. Notice of Trustee's Sale – After several attempts and a Notice of Default is recorded, the property is now set to go to sale at an auction. The notice gives a date and time the property will be auctioned off.

20	<p>Second Installment: \$90.89, DELINQUENT Penalty: \$19.09 Tax Rate Area: 001-000 A. P. No.: 9876-543-210</p> <p>5. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.</p> <p>6. An easement for Public Utilities and incidental purposes in the document recorded July 30, 1955 as Book 8877 page 123 of Official Records.</p> <p>7. An easement shown or dedicated on the Map as referred to in the legal description For: pipelines and incidental purposes.</p>
21	<p>8. Covenants, conditions, restrictions and easements in the document recorded October 17, 1980 as Instrument No. 80-445577 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Section 12955 of the California 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.</p>
22	<p>Document(s) declaring modifications thereof recorded May 28, 2007 as Instrument No. 07-45451 of Official Records.</p> <p>9. A deed of trust to secure an original indebtedness of \$325,000.00 recorded August 25, 1999 as Instrument No. 99-98766 of Official Records. Dated: August 17, 1999 Trustor: Pete Seller and Carissa L. Seller, Husband and Wife as Joint Tenants Trustee: Priority Title Beneficiary: Mortgage Electronic Registration Systems, Inc. Lender: Bank of America Loan No.: 01548444777 Min. No.: 044444</p>
23	<p>According to the public records, the beneficial interest under the deed of trust was assigned to Wells Fargo by assignment recorded December 20, 2005 as Instrument No. 05-7887746 of Official Records.</p>
24	<p>A notice of default recorded February 14, 2013 as Instrument No. 13-1114 of Official Records.</p>
25	<p>A notice of trustee's sale recorded January 1, 2014 as Instrument No. 14-00012 of Official Records.</p>



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26. Abstract of judgment – Imposes a lien as of the date of recording on this and all other real and personal property now owned or hereafter acquired by the debtor until satisfaction or expiration on the lien.

27. HOA lien- Homeowners Association Lien

28. City Lien – normally consisting of non-payment of water or trash, or not complying with a notice to fix an unkempt property.

29. Federal Tax Lien – Under Federal Law, any revenue tax, unpaid after demand, become a lien on all property and rights to property (includes real and personal) of the person liable therefore, from the time the assessment was made, however, it is valid against any purchaser, holder of a security interest, mechanics lien holder and judgment lien creditor only when notice thereof is previously filed in the county recorder's office.

30. Statement of Information Request- Priority Title will require an "S.I." for each owner listed in this item. This means that we have run the names in our General Index and there are factors that need to be considered before we can determine if they are a direct hit on our owner. These factors include; Full birth name, birthday, social security number and previous address' for the last 10 years.



Order Number: **L49600 (BCCM)**

20	<p>10. A deed of trust to secure an original indebtedness of \$52,000.00 recorded July 30, 2002 as Instrument No. 02-12314 of Official Records. Dated: July 15, 2002 Trustor: Pete Seller and Carissa L. Seller, Husband and Wife as Joint Tenants Trustee: Priority Title Beneficiary: Neil Fisher and Linda Fisher</p> <p>11. A certified copy of a judgment or an abstract thereof, recorded January 22, 2005 as Instrument No. 05-114 of Official Records. Court: Superior Court of California County of Los Angeles Case No.: FISC-000111 Debtor: Pete Seller Creditor: Pools and Ponds Inc., a California Corporation Amount: \$7,250.00, and any other amounts due thereunder.</p>
27	<p>12. A notice of homeowners association assessment lien recorded May 11, 2010 as Instrument No. 10-54332 of Official Records. Association: Valley Crest Community Amount: \$578.00, and any other amounts due thereunder.</p>
28	<p>13. Lien for Weed Abatement in favor of City of Los Angeles Against: Pete Seller and Carissa L. Seller Amount: \$140.60 Recorded: December 10, 2011 as Instrument No. 11-3221144 of Official Records.</p>
29	<p>14. A federal tax lien in favor of the United States of America, recorded December 01, 2012 as Instrument No. 12-8777988 of Official Records. Serial No.: 998775 Debtor: Pete Seller and Carissa L. Seller, Husband and Wife as Joint Tenants Amount: \$15,675.00, and any other amounts due thereunder.</p>
30	<p>15. Any defects, liens, encumbrances or other matters which name parties with the same or similar names as Pete Seller and Carissa L. Seller. The name search necessary to ascertain the existence of such matters has not been completed. In order to complete this preliminary report or commitment, we will require a statement of information.</p>

INFORMATIONAL NOTES



Order Number: **L49600 (BCCM)**

LEGAL DESCRIPTION

Real property in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

LOT 17, OF TRACT NO. 50810, IN THE CITY OF BEVERLY HILLS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 94, PAGES 7 AND 8, IN RECORDS OF SAID COUNTY.

APN: 9876-543-210