

Title Report

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Sacramento Title Company

2401 American River Drive, Sacramento, CA 95825 (916) 484-0550

PRELIMINARY REPORT

NANCY MACMASTER, Escrow Officer
NSTR

STC MAIN ESCROW
c/o NANCY MACMASTER

Date: July 9, 1998

Your Ref: (SELLER)
JOHNSON

Our No.: 505527-NM

Property Address:
GRANT LINE ROAD
SACRAMENTO, CALIFORNIA 95830

In response to the above referenced application for policy of title insurance, Sacramento Title Company hereby reports that it is prepared to issue, or to be issued, as of the date hereof, a Policy or Policies of Title Insurance by Stewart Title Guaranty Company 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 in an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms. The printed Exception and Exclusions from the coverage of said Policy or Policies are set forth in the attached. Copies of the Policy forms should be 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 the attached 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.

Dated as of June 29, 1998 at 7:30 a.m.

SACRAMENTO TITLE COMPANY by


CRAIG HOLDERMAN, Title Officer

The form of Policy of Title Insurance contemplated by this report is:
L.A. & CLTA

The estate or interest in land hereinafter described or referred to covered by this Report is: A FEE

title to said estate or interest at the date hereof is vested in:

ERIAN JOHNSON, an undivided 1/8 interest; WILLIAM BECKETT AND
GEORGEANN BECKETT, Trustees under the BECKETT FAMILY TRUST dated
February 21, 1991, an undivided 1/8 interest; GERALD R. JOHNSON, JR.
AND NANCY M. JOHNSON, Trustees of the JERRY AND NANCY JOHNSON TRUST,
dated September 15, 1993, an undivided 1/8 interest; BRYTE JOHNSON AND
BRENDA JOHNSON, as Trustees of the BRYTE JOHNSON AND BRENDA JOHNSON
995 LIVING TRUST, dated May 19, 1995, an undivided 1/8 interest;
ORDON B. HUGHES, an undivided 1/4 interest and THOMAS B. HUGHES, an
undivided 1/4 interest.

EXHIBIT "A"

The land referred to herein is situated in: the Unincorporated Area, County of Sacramento, State of California, more particularly described as follows:

PARCEL 1:

All that portion of Section 13 and 14 Township 7 North, Range 6 East, M.D.B. & M., more specifically described as follows:

Beginning at the Section corner common to Sections 13, 14, 23 and 24, Township 7 North, Range 6 East; thence North along a division fence a distance of 2193.77 feet; thence North $38^{\circ} 45'$ East, 1242.98 feet; thence North $89^{\circ} 39'$ West 2535.79 feet; thence North $0^{\circ} 33'$ East, 2139.46 to a fence on the Section line common to Sections 11 and 14; thence South $88^{\circ} 50'$ East a distance of 1739.3 feet to a fence corner marking the section corner common to Sections 11, 12, 13 and 14 of said township and range; thence North $88^{\circ} 27'$ East along a fence line, a distance of 4990.26 feet to the centerline of the Grant Line Road, so-called; thence along the centerline of said road, the following courses and distances; South $40^{\circ} 21'$ West, 363.13 feet; South $39^{\circ} 48'$ West, 660.00 feet; South $39^{\circ} 37'$ West, 1432.13 feet; South $38^{\circ} 55'$ West, 965.40 feet; South $38^{\circ} 42'$ West, 1318.10 feet and South $38^{\circ} 44'$ West, 1195.0 feet to the intersection of the County Road on the Section line common to Sections 13 and 24, said Township and Range; thence West along said County Road a distance of 610.43 feet to the place of beginning.

Said land is also shown as Parcel 8, as delineated on the "Map of Bryte Ranch", recorded March 17, 1933, in Book 3 of Record of Surveys, at Page 73.

PARCEL 2:

The Southeast quarter of Section 11, Township 7 North, Range 6 East, M.D.B. & M.

Said land is also shown as Parcel 9, as delineated on the "Map of Bryte Ranch", recorded March 17, 1933, in Book 3 of Record of Surveys, at Page 73.

date hereof exceptions to coverage in addition to the printed provisions and exclusions in said policy form would be as follows:

Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 1998-1999.

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.

Rights of the Public over that portion of the herein described property that lies within
Street: Grant Line Road

A resolution to establish as Agricultural Preserve within Sacramento County pursuant to the California Land Conservation Act of 1965, Resolution No. 69-AP-46, for the period stated therein and upon the terms, covenants and conditions as therein provided, recorded May 2, 1969, in Book 69-05-02, Page 368, Sacramento County Records.

Land Conservation Agreement No. 69-AP-46A, dated April 9, 1969, and executed by Ethel M. Johnson, et al as owner and the South of Sacramento, as "County" for the period and upon the terms, covenants and conditions as therein provided, recorded May 2, 1969, in Book 69-05-02, Page 376, Official Records.

A Right of Way for purposes of a Public Highway or Road, and all necessary utilities

To: The County of Sacramento, a political subdivision of the State of California
Recorded: December 5, 1985
Book 85-12-05, Page 469, Official Records
Affects: Record reference is hereby made for full particulars.

Said property lies within the boundaries of the Southgate Landscaping and Lighting Assessment District, subject to the conditions, restrictions, provisions and limitations as therein provided.

Recorded: July 1, 1991
Book 91-07-01, Page 1459, Official Records

The effect of a Deed executed by Brian Johnson, an individual, as Grantor, to Brian Johnson Trust, as Grantee. The Grantee is not an entity capable of acquiring fee title. The Deed must be corrected and re-recorded to identify the Trustee.

Recorded: November 18, 1997
Book 97-11-18, Page 1134, Official Records

Any community property interest in said land created by a change in the marital status of the Vestee(s) herein.

The terms and conditions of an unrecorded Trust Agreements as disclosed by the vesting therein and the requirement that said Trust Agreements be submitted for examination or a certification of trust be submitted.

This report is incomplete due to the fact that matters appear of record that could affect the title if the vestee is the party named therein. A supplemental report will be furnished after the identity of the vestee has been further established. Statement of Identity will be needed from GERALD R. JOHNSON, NANCY M. JOHNSON, MORGAN M. JOHNSON, BRYTE JOHNSON, BRENDA JOHNSON, GORDON B. HUGHES AND THOMAS B. HUGHES in order to eliminate matters of record affecting parties with similar names.

Possible lien/liens for delinquent Utility Services Billings. A Status Report must be secured from the appropriate City and County of Sacramento prior to close of escrow. Amounts may be ascertained by contacting the County at 855-8555 and the appropriate City, Sacramento 264-5454, Folsom 355-7296 or Galt (209) 745-2961.

NOTES

NOTE 1: The following is furnished for information only. The only fee conveyances affecting said land recorded within six months prior to the date of this report are as follows:
 NONE

NOTE 2: For proration purposes, the installments shown herein are as follows:
 AFFECTS PARCEL 1

County and special taxes for the fiscal year 1997-1998
 1st inst.: \$291.84 PAID
 2nd inst.: \$291.84 PAID
 Land: \$55,333.00
 Code Area: 51-069
 Bill No.: 277745
 Parcel No.: 123-0050-001

NOTE: Special Assessments included in tax amounts are as follows:

Amount	Description
\$27.80	Water & Drainage Studies SCWA 13
\$2.56	CSA1 Street Lights

AFFECTS PARCEL 2

- County and special taxes for the fiscal year 1997-1998

1st inst.: \$104.61 PAID

2nd inst.: \$104.61 PAID

Land: \$20,667.00

Code Area: 51-069

Bill No.: 277740

Parcel No.: 123-0020-002

- NOTE: Special Assessments included in tax amounts are as follows:

<u>Amount</u>	<u>Description</u>
\$2.56	CSA1 Street Lights

- NOTE 3: We find no open Deeds of Trust of record, please confirm.

- NOTE 4: This report is subject to a minimum charge of \$400.00, as required by Section 12404 of Insurance Code and Rule 2 of Department of Insurance Bulletin No. NS-35E.

- NOTE 5: As of January 1, 1990, Chapter 598, California Statutes of 1989 (AB 512; Ins. Code Sec. 12413.1) becomes effective. The Law requires that all funds be deposited and available for withdrawal by the title entity's escrow or subescrow account prior to disbursement of any funds. ONLY CASH OR WIRED FUNDS CAN BE GIVEN IMMEDIATE AVAILABILITY UPON DEPOSIT. Cashier's check, teller's checks and Certified checks may be available one business day after deposit. All other funds such as personal, corporate or partnership checks and drafts may cause material delays in disbursement of funds on this order.

LENDERS SUPPLEMENTAL INFORMATION

- If and when a 116 indorsement is issued on the hereinafter described real property, said 116 indorsement will reflect the following information:

- Said land is bare land commonly known as:

GRANT LINE ROAD, SACRAMENTO, CALIFORNIA 95830