

1-179

86-233209

RECORDING REQUESTED

Western Title Insurance Company

AND WHEN RECORDED MAIL TO

NAME City of San Leandro
ADDRESS Civic Center
CITY & STATE 835 E 14th Street
San Leandro, Ca. 94577

Title Order No. 105349 Escrow No. _____

DH

RECORDED at REQUEST OF
Western Title Ins Co.
At 8:30 A.M.
SEP 24 1986
OFFICIAL RECORDS OF
ALAMEDA COUNTY CALIFORNIA
RENE C. DAVIDSON
COUNTY RECORDER

CITY of SAN LEANDRO
OCT 30 1986
CITY CLERK'S OFFICE

oal

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Documentary transfer tax \$.....-0-
 Computed on full value of property conveyed, or
 Computed on full value less liens and encumbrances
remaining thereon at time of sale.

Barbara Balderston WT
Signature of declarant or agent determining tax - firm name

Individual Grant Deed

WESTERN TITLE FORM NO. 104

AP#75-110-34

FOR VALUE RECEIVED, MANUEL TEIXEIRA, an unmarried man

GRANTS to CITY OF SAN LEANDRO, A Municipal Corporation

all that real property situate in the City of San Leandro

County of Alameda, State of California, described as follows:

Lot 7, Smith Subdivision, filed July 31, 1889, Map Book 9,
page 28, Alameda County Records.

Dated September 16, 1986

Manuel Teixeira
MANUEL TEIXEIRA

STATE OF CALIFORNIA

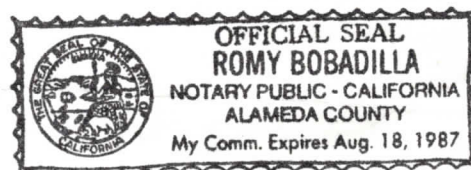
County of Alameda } ss.

On September 16, 1986, before me, the undersigned, a Notary Public
in and for said State, personally appeared Manuel Teixeira

_____, personally known to me or proved to me
on the basis of satisfactory evidence to be the person whose name
subscribed to the within instrument, and acknowledged to me that he executed it.

Romy Bobadilla
NOTARY PUBLIC

FOR NOTARY SEAL OR STAMP



File 1-179
APN 75-110-34

Individual Grant Deed



**WESTERN TITLE
INSURANCE COMPANY**

WESTERN TITLE INSURANCE COMPANY

ALAMEDA COUNTY
21021 Corsair Blvd. - Hayward, CA 94545

AMADOR COUNTY
45 Summit Street - Jackson, CA 95642

BUTTE COUNTY
1909 Bird Street - Oroville, CA 95965

COLUSA COUNTY
250 Fifth Street - Colusa, CA 95932

CONTRA COSTA COUNTY
1401 N. Broadway - Walnut Creek, CA 94596

DEL NORTE COUNTY
501 "H" Street - Crescent City, CA 95531

EL DORADO COUNTY
573 Main Street - Placerville, CA 95667

FRESNO COUNTY
191 W. Shaw Avenue, Suite 205 - Fresno, CA 93704

GLENN COUNTY
250 W. Sycamore Street - Willows, CA 95988

HUMBOLDT COUNTY
404 "H" Street - Eureka, CA 95501

KINGS COUNTY
109 W. Eighth Street - Hanford, CA 93230

LAKE COUNTY
180 Third Street - Lakeport, CA 95453

LASSEN COUNTY
145 S. Lassen Street - Susanville, CA 96130

MADERA COUNTY
126 N. "B" Street - Madera, CA 93638

MARIN COUNTY
1401 Fifth Avenue - San Rafael, CA 94901

MENDOCINO COUNTY
101 N. State Street - Ukiah, CA 95482

MERCED COUNTY
602 W. 20th Street - Merced, CA 95340

MODOC COUNTY
108 E. Modoc Street - Alturas, CA 96101

MONTEREY COUNTY
118 W. Gabilan Street - Salinas, CA 93901

NAPA COUNTY
707 Randolph Street - Napa, CA 94559

WESTERN TITLE INSURANCE COMPANY

NEVADA COUNTY
Church and Neal Streets - Grass Valley, CA 95945

PLACER COUNTY
120 Center Street - Auburn, CA 95603

PLUMAS COUNTY
Court and Jackson Streets - Quincy, CA 95971

SACRAMENTO COUNTY
919 Eighth Street - Sacramento, CA 95814

SAN BENITO COUNTY
378 Fifth Street - Hollister, CA 95023

SAN FRANCISCO COUNTY
60 Spear Street - San Francisco, CA 94105

SAN JOAQUIN COUNTY
149 W. Yokuts Avenue - Stockton, CA 95207

SAN MATEO COUNTY
840 Middlefield Road - Redwood City, CA 94063

SANTA CLARA COUNTY
2001 Gateway Place, Suite 195E - San Jose, CA 95110

SANTA CRUZ COUNTY
201 River Street - Santa Cruz, CA 95060

SHASTA COUNTY
1505 Court Street - Redding, CA 96001

SOLANO COUNTY
825 Webster Street - Fairfield, CA 94533

SONOMA COUNTY
610 Seventh Street - Santa Rosa, CA 95404

STANISLAUS COUNTY
826 Twelfth Street - Modesto, CA 95354

SUTTER COUNTY
512 Second Street - Yuba City, CA 95991

TEHAMA COUNTY
705 Jefferson Street - Red Bluff, CA 96080

TRINITY COUNTY
223 Main Street - Weaverville, CA 96093

TULARE COUNTY
1616 W. Mineral King Avenue - Visalia, CA 93291

TUOLUMNE COUNTY
185 S. Washington Street - Sonora, CA 95370

YOLO COUNTY
Second and Court Streets - Woodland, CA 95695

YUBA COUNTY
120 Fifth Street - Marysville, CA 95901

86-233209

This is to certify that the interest in real property conveyed by Deed or Grant,
dated September 18, 1986 , from Manuel L. Teixeira

to the City of San Leandro, a municipal corporation, is hereby accepted on behalf of
the City Council of the City of San Leandro, pursuant to authority conferred by
Resolution No. 84-198, adopted by the City Council of the City of San Leandro on
October 1, 1984, and the grantee consents to recordation thereof by its duly
authorized officer.

Dated:




G. L. Dennehey
City Clerk of the City of San Leandro

MEMORANDUM

City of San Leandro Community Development Department

August 5, 1986

MEMO TO: City Clerk

FROM: Donna Ruhe *DR*

SUBJECT: CERTIFICATES OF ACCEPTANCE FOR 1244 ORCHARD AVENUE (TEIXEIRA) and
1177 - 1199 SAN LEANDRO BLVD. (LSW)

Please prepare signed, but undated, certificates of acceptance for the two following properties:

1177 - 1199 SAN LEANDRO BLVD. (LSW) — *LSW Company*
1244 ORCHARD AVENUE (MANUEL L. TEIXEIRA)

The acquisition of 1244 Orchard Avenue was approved by the City Council at its August 4th meeting.

Please send the certificates to this office. Thank you.

dr

*File 1-179
APN 75-110-34*

1244
ORCHARD

ALAMEDA COUNTY
POLICY NUMBER

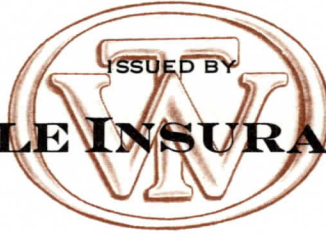
S73 610034

POLICY OF TITLE INSURANCE

CITY of SAN LEANDRO

OCT 08 1986

CITY CLERK'S OFFICE



WESTERN TITLE INSURANCE COMPANY

SUBJECT TO SCHEDULE B AND THE CONDITIONS AND STIPULATIONS HEREOF, WESTERN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures the insured, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, and costs, attorneys' fees and expenses which the Company may become obligated to pay hereunder, sustained or incurred by said insured by reason of:

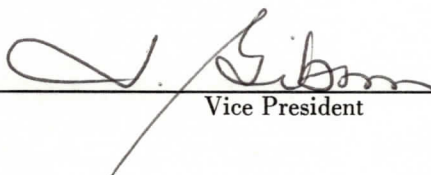
1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on such title;
3. Unmarketability of such title; or
4. Any lack of the ordinary right of an abutting owner for access to at least one physically open street or highway if the land, in fact, abuts upon one or more such streets or highways;

and in addition, as to an insured lender only:

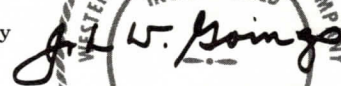
5. Invalidity of the lien of the insured mortgage upon said estate or interest except to the extent that such invalidity, or claim thereof, arises out of the transaction evidenced by the insured mortgage and is based upon
 - a. usury, or
 - b. any consumer credit protection or truth in lending law;
6. Priority of any lien or encumbrance over the lien of the insured mortgage, said mortgage being shown in Schedule B in the order of its priority; or
7. Invalidity of any assignment of the insured mortgage, provided such assignment is shown in Schedule B.

IN WITNESS WHEREOF, WESTERN TITLE INSURANCE COMPANY has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

Countersigned:



Vice President

WESTERN TITLE INSURANCE COMPANY
INCORPORATED
By  President
By  Secretary
AUGUST 1972
CALIFORNIA

File 1-179

APN 75-110-34

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company may have had against the named insured, those who succeed to the interest of such insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors. The term "insured" also includes (i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of such indebtedness (reserving, however, all rights and defenses as to any such successor who acquires the indebtedness by operation of law as described in the first sentence of this sub-paragraph (a) that the company would have had against the successor's transferor), and further includes (ii) any governmental agency or instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing said indebtedness, or any part thereof, whether named as an insured herein or not, and (iii) the parties designated in paragraph 2 of these Conditions and Stipulations.

(b) "insured claimant": an insured claiming loss or damage hereunder.

(c) "insured lender": the owner of an insured mortgage.

(d) "insured mortgage": a mortgage shown in Schedule B, the owner of which is named as an insured in Schedule A.

(e) "knowledge": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.

(f) "land": the land described, specifically or by reference in Schedule C, and improvements affixed thereto which by law constitute real property; provided, however, the term "land" does not include any area excluded by Paragraph No. 6 of Part One of Schedule B of this Policy.

(g) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(h) "public records": those records which by law impart constructive notice of matters relating to the land.

2(a). CONTINUATION OF INSURANCE AFTER ACQUISITION OF TITLE BY INSURED LENDER

If this policy insures the owner of the indebtedness secured by the insured mortgage, this policy shall continue in force as of Date of Policy in favor of such insured who acquires all or any part of the estate or interest in the land described in Schedule C by foreclosure, trustee's sale, conveyance in lieu of foreclosure, or other legal manner which discharges the lien of the insured mortgage, and if such insured is a corporation, its transferee of the estate or interest so acquired, provided the transferee is the parent or wholly owned subsidiary of such insured; and in favor of any governmental agency or instrumentality which acquires all or any part of the estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage. After any such acquisition the amount of insurance hereunder, exclusive of costs, attorneys' fees and expenses which the Company may be obligated to pay, shall not exceed the least of:

- (i) the amount of insurance stated in Schedule A;
- (ii) the amount of the unpaid principal of the indebtedness plus interest thereon, as determined under paragraph 6 (a) (iii) hereof, expenses of foreclosure and amounts advanced to protect the lien of the insured mortgage and secured by said insured mortgage at the time of acquisition of such estate or interest in the land; or
- (iii) the amount paid by any governmental agency or instrumentality, if such agency or instrumentality is the insured claimant, in acquisition of such estate or interest in satisfaction of its insurance contract or guaranty.

(b). CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE

The coverage of this policy shall continue in force as of Date of Policy, in favor of an insured so long as such insured retains an estate or interest in the land, or owns an indebtedness secured by a purchase money mortgage given by a purchaser from such insured, or so long as such insured shall have liability by reason of covenants of warranty made by such insured in any transfer or conveyance of such estate or interest; provided, however, this policy shall not continue in force in favor of any purchaser from such insured of either said estate or interest or the indebtedness secured by a purchase money mortgage given to such insured.

3. DEFENSE AND PROSECUTION OF ACTIONS - NOTICE OF CLAIM TO BE GIVEN BY AN INSURED CLAIMANT

(a) The Company, at its own cost and without undue delay, shall provide for the defense of an insured in litigation to the extent that such litigation involves an alleged defect, lien, encumbrance or other matter insured against by this policy.

(b) The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in (a) above, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable. If such prompt notice shall not be given to the Company, then as to such insured all liability of the Company shall cease and terminate in regard to the matter or matters for which such prompt notice is required; provided, however, that failure to notify shall in no case prejudice the rights of any such insured under this policy unless the Company shall be prejudiced by such failure and then only to the extent of such prejudice.

(c) The Company shall have the right at its own cost to institute and without undue delay prosecute any action

or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured; and the Company may take any appropriate action, whether or not it shall be liable under the terms of this policy, and shall not thereby concede liability or waive any provision of this policy.

(d) Whenever the Company shall have brought any action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any such litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(e) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured hereunder shall secure to the Company the right to so prosecute or provide defense in such action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for such purpose. Whenever requested by the Company, such insured shall give the Company, at the Company's expense, all reasonable aid (1) in any such action or proceeding in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending such action or proceeding, and (2) in any other act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, including but not limited to executing corrective or other documents.

4. PROOF OF LOSS OR DAMAGE - LIMITATION OF ACTION

In addition to the notices required under Paragraph 3 (b) of these Conditions and Stipulations, a proof of loss or damage, signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain or determine the facts giving rise to such loss or damage. Such proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage, and, when appropriate, state the basis of calculating the amount of such loss or damage.

Should such proof of loss or damage fail to state facts sufficient to enable the Company to determine its liability hereunder, insured claimant, at the written request of Company, shall furnish such additional information as may reasonably be necessary to make such determination.

No right of action shall accrue to insured claimant until 30 days after such proof of loss or damage shall have been furnished.

Failure to furnish such proof of loss or damage shall terminate any liability of the Company under this policy as to such loss or damage.

5. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS AND OPTIONS TO PURCHASE INDEBTEDNESS

The Company shall have the option to pay or otherwise settle for or in the name of an insured claimant any claim insured against, or to terminate all liability and obligations of the Company hereunder by paying or tendering payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred up to the time of such payment or tender of payment by the insured claimant and authorized by the Company. In case loss or damage is claimed under this policy by the owner of the indebtedness secured by the insured mortgage, the Company shall have the further option to purchase such indebtedness for the amount owing thereon together with all costs, attorneys' fees and expenses which the Company is obligated hereunder to pay. If the Company offers to purchase said indebtedness as herein provided, the owner of such indebtedness shall transfer and assign said indebtedness and the mortgage and any collateral securing the same to the Company upon payment therefor as herein provided. Upon such offer being made by the Company, all liability and obligations of the Company hereunder to the owner of the indebtedness secured by said insured mortgage, other than the obligation to purchase said indebtedness pursuant to this paragraph, are terminated.

6. DETERMINATION AND PAYMENT OF LOSS

(a) The liability of the Company under this policy shall in no case exceed the least of:

- (i) the actual loss of the insured claimant; or
- (ii) the amount of insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in paragraph 2 (a) hereof; or
- (iii) if this policy insures the owner of the indebtedness secured by the insured mortgage, and provided said owner is the insured claimant, the amount of the unpaid principal of said indebtedness, plus interest thereon, provided such amount shall not include any additional principal indebtedness created subsequent to Date of Policy, except as to amounts advanced to protect the lien of the insured mortgage and secured thereby.

(b) The Company will pay, in addition to any loss insured against by this policy, all costs imposed upon an insured in litigation carried on by the Company for such insured, and all costs, attorneys' fees and expenses in litigation carried on by such insured with the written authorization of the Company.

(c) When the amount of loss or damage has been definitely fixed in accordance with the conditions of this policy, the loss or damage shall be payable within 30 days thereafter.

7. LIMITATION OF LIABILITY

No claim shall arise or be maintainable under this policy (a) if the Company, after having received notice of an alleged defect, lien or encumbrance insured against hereunder, by litigation or otherwise, removes such defect, lien or encumbrance or establishes the title, or the lien of the insured mortgage, as insured, within a reasonable time after

receipt of such notice; (b) in the event of litigation until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title or to the lien of the insured mortgage, as insured, as provided in paragraph 3 hereof; or (c) for liability voluntarily admitted or assumed by an insured without prior written consent of the Company.

8. REDUCTION OF INSURANCE; TERMINATION OF LIABILITY

All payments under this policy, except payment made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto; provided, however, if the owner of the indebtedness secured by the insured mortgage is an insured hereunder, then such payments, prior to the acquisition of title to said estate or interest as provided in paragraph 2 (a) of these Conditions and Stipulations, shall not reduce pro tanto the amount of the insurance afforded hereunder as to any such insured, except to the extent that such payments reduce the amount of the indebtedness secured by such mortgage.

Payment in full by any person or voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company to an insured owner of the indebtedness secured by the insured mortgage, except as provided in paragraph 2 (a) hereof.

9. LIABILITY NONCUMULATIVE

It is expressly understood that the amount of insurance under this policy, as to the insured owner of the estate or interest covered by this policy, shall be reduced by any amount the Company may pay under any policy insuring (a) a mortgage shown or referred to in Schedule B hereof which is a lien on the estate or interest covered by this policy, or (b) a mortgage hereafter executed by an insured which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy. The Company shall have the option to apply to the payment of any such mortgage any amount that otherwise would be payable hereunder to the insured owner of the estate or interest covered by this policy and the amount so paid shall be deemed a payment under this policy to said insured owner.

The provisions of this paragraph 9 shall not apply to an owner of the indebtedness secured by the insured mortgage, unless such insured acquires title to said estate or interest in satisfaction of said indebtedness or any part thereof.

10. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have paid or settled a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant, except that the owner of the indebtedness secured by the insured mortgage may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness, provided such act occurs prior to receipt by such insured of notice of any claim of title or interest adverse to the title to the estate or interest or the priority of the lien of the insured mortgage and does not result in any loss of priority of the lien of the insured mortgage. The Company shall be subrogated to and be entitled to all rights and remedies which such insured claimant would have had against any person or property in respect to such claim had this policy not been issued, and the Company is hereby authorized and empowered to sue, compromise or settle in its name or in the name of the insured to the full extent of the loss sustained by the Company. If requested by the Company, the insured shall execute any and all documents to evidence the within subrogation. If the payment does not cover the loss of such insured claimant, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss, but such subrogation shall be in subordination to an insured mortgage. If loss should result from any act of such insured claimant, such act shall not void this policy, but the Company, in that event, shall as to such insured claimant be required to pay only that part of any losses insured against hereunder which shall exceed the amount, if any, lost to the Company by reason of the impairment of the right of subrogation.

11. LIABILITY LIMITED TO THIS POLICY

This instrument together with all endorsements and other instruments, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company.

Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby, or any action asserting such claim, shall be restricted to the provisions and conditions and stipulations of this policy.

This policy shall not be valid until countersigned by a Vice President or an Assistant Vice President of the Company. No amendment of or endorsement to this policy can be made except by writing endorsed hereon or attached hereto signed by either the President, a Vice President, an Assistant Vice President or the Secretary of the Company.

No payment shall be made without producing this policy for endorsement of such payment unless the policy be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

12. NOTICES, WHERE SENT

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at its Home Office, 100 Mission Street, San Francisco, California 94105.

13. THE FEE SPECIFIED IN SCHEDULE A IS THE ENTIRE CHARGE FOR TITLE SEARCH, TITLE EXAMINATION AND TITLE INSURANCE.

SCHEDULE A

Amount \$89,000.00

Fee \$496.00

Date of Policy: September 24, 1986 at 8:30 o'clock a.m.

1. Name of Insured:

CITY OF SAN LEANDRO,
a municipal corporation

2. The estate or interest in the land described in Schedule C 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:

CITY OF SAN LEANDRO, a municipal corporation.

SCHEDULE B

This policy does not insure against loss or damage, nor against costs, attorneys' fees or expenses, any or all of which arise by reason of those matters shown in Parts I and II of this Schedule:

PART ONE

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 records 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 area, 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, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.

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, avenues, 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.

SCHEDULE B (Continued)

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 change in the dimensions or area of the land or any parcel of which the land is or was a part, whether or not shown by the public records at Date of Policy, or the effect of any violation of any such law, ordinance or governmental regulation, whether or not shown by the public records at Date of Policy.

8. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records.

9. Defects, liens, encumbrances, adverse claims, or other matters (a) whether or not shown by the public records at Date of Policy, but created, caused, suffered, assumed or agreed to by the insured claimant; (b) not shown by the public records 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 insured 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 encumbrancer for value without knowledge.

PART TWO

1. 1986-87 taxes a lien, not yet due or payable.

2. Supplemental Real Property Tax Assessments (Chapter 498, Statutes of 1983, as amended);

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.

1985-86 Taxes: TAX INFORMATION

Assessor's Reference No.: 75-110-34; Tracer No.: 17068400;

Code Area: 10-001; Tax Rate: 1.0551;

1st Installment: \$119.88 paid.

2nd Installment: \$119.88 paid.

Land: \$14,484.00

Improvements: \$7,121.00

Personal Property: none

Exemption: none

Policy No.
S-610034

Order No.
105349

SCHEDULE C

The land referred to in this policy is described as follows:

That parcel of land in the City of San Leandro, County of Alameda, State of California, described as follows:

Lot 7, Smith Subdivision, filed July 31, 1889, Map Book 9, page 28, Alameda County Records.

Policy No.
S-610034

Order No.
105349

INFLATION INDORSEMENT
Attached to Policy No. S-610034
Issued by
WESTERN TITLE INSURANCE COMPANY,
a corporation

The Company, recognizing the current effect of inflation on real property valuation and intending to provide additional monetary protection to the insured owner, 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 Indorsement, 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 Indorsement 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 Indorsement) 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.

For the purpose of this Indorsement the term "insured owner" is defined as any insured described 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.

Nothing herein contained 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.

Dated: September 24, 1986

At: 8:30 o'clock a.m.

WESTERN TITLE INSURANCE COMPANY

By  Vice-President

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.

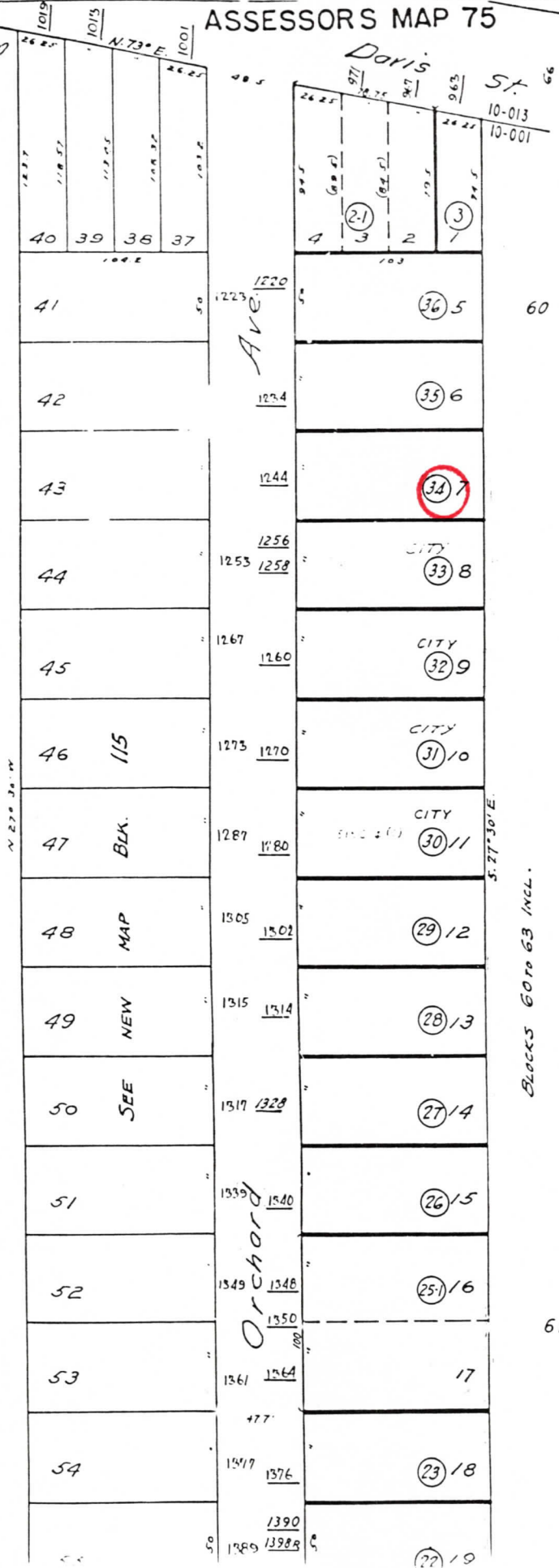
Map of the
Smith Subdivision
San Leandro
(Bk. 9 Pg. 28)
SCALE: 1"=50'

110
PAGE 1

ASSESSORS MAP 75

Code Area Nos 10-001

REV 10-21-00EM
4-3-0151



THIS IS NOT A SURVEY OF THE LAND, BUT IS COMPILED FROM DATA SHOWN BY THE PUBLIC RECORDS
WESTERN TITLE INSURANCE COMPANY

BLOCKS 60 to 63 INCL.