

**POLICY OF TITLE INSURANCE**  
Issued by  
**Lawyers Title Insurance Corporation**  
**SCHEDULE A**

Amount of Insurance: \$**40,500,000.00**

Policy/File No.: **05304811**

Premium: \$**27,135.00**

Date of Policy: January 8, 2004 at **8:00 A.M.**

1. Named of Insured:

**Industry Urban-Development Agency, a public body, corporate and politic**

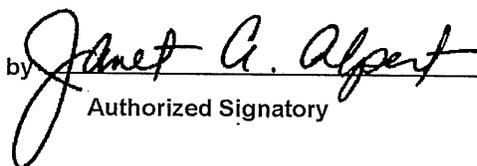
2. The estate or interest in the land described herein and which is covered by this policy is:

**A FEE as to Parcel A, C and D;  
AN EASEMENT more fully described below as to Parcel B**

3. The estate or interest referred to herein is at the Date of Policy vested in:

**Industry Urban-Development Agency, a public body, corporate and politic**

4. The land referred to in this policy is situated in the County of Los Angeles, State of California, and is more particularly described in Exhibit "A" attached hereto and made a part hereof.

by   
Authorized Signatory

**EXHIBIT "A"**

All that certain real property situated in the County of Los Angeles , State of California, described as follows:

PARCEL A:

Parcels 17, 18, 19, 20 and 21 in the City of Industry, County of Los Angeles, State of California, as shown on Parcel Map No. 234, filed in Book 188, Pages 74 through 77 inclusive of Parcel Maps as corrected by Certificate of Corrections, recorded February 19, 1992 as Instrument No. 92-273690, in the Office of the County Recorder of said County.

Except form said Parcels 17, 18, 19 and 20 fifty percent (50%) of all oil or by-products therefrom which may be produced from said property, as reserved by John L. Fleming in the agreement to convey, recorded December 9, 1948 as Instrument No. 1594 in Book 28910 Page 285 of said Official Records, and as reserved by John L. Fleming, also known as J. L. Fleming, in Deed recorded September 15, 1953 as Instrument No. 751 in Book 42683, Page 163 of Official Records.

PARCEL B:

Easement for vehicular parking, pedestrian and vehicular ingress, egress and passage, utility lines, structural support, signs, and other uses, all as more particularly defined and described in that certain document entitled "Reciprocal Easement and Operation Agreement" dated May 28, 1986 executed by and between Dicker-Warmington Properties, a California General Partnership, The Home Depot, Inc., a Delaware Corporation, Toys "R" Us, Inc., a Delaware Corporation and Topvalco, Inc., an Ohio Corporation, upon the terms, covenants, conditions, limitation and restrictions as set forth in said document, in over, and upon those certain parcels more particularly described in said document, recorded August 14, 1986 as Instrument No. 86-1055553 of Official Records and as amended by First Amendment of Reciprocal Easement and Operation Agreement, recorded December 2, 1994 as Instrument No. 94-2154047 of Official Records.

PARCEL C:

The Northerly 260.00 feet, measured at right angles of that portion of Lot 10 of Rowland, in the City of Industry, County of Los Angeles, State of California as per map recorded in Book 3, Pages 93 and 94 of Maps, in the Office of the County Recorder of said County, described as follows:

Beginning at the Southwesterly corner of said Lot 10; thence along the Westerly line of said Lot, North 12° 05' East 815.35 feet to the Southwesterly corner of land conveyed to the Board of Trustees of the Rowland School District, by Deed recorded in Book 5402, Page 208 of Deeds; thence South 77° 55' East along the Southerly line of said land 319.90 feet to the Southeasterly corner of land so conveyed to said school district, thence South 12° 05' West 795.98 feet to a point in the North line of Bonita Vista Lane; thence North 81° 22' West along said North line, 319.57 feet to the point of beginning.

Except one-half of all minerals rights below a depth of 500 feet; without right of entry on the surface thereof, as reserved by Louisa M. Vejar, a married woman who acquired title as

**EXHIBIT "A" Continued**

Louisa M. Olivares, a single woman, and Leo Vejar, her husband, in deed recorded October 13, 1955 in Book 49218, Page 113 of Official Records.

**PARCEL D:**

That portion of Lot 10 of Map of Rowland, in the City of Industry, County of Los Angeles, State of California, as per map recorded in Book 3, Pages 93 and 94 of Maps, in the Office of the County Recorder of said County, together with that portion of Hatcher Avenue (formerly known as Walnut Street, 50 feet wide) in said City, County and State, as vacated per resolution 821 of the City of Industry, recorded on March 12, 1976 as Instrument No. 4106 in Book D-7001, Page 668 of Official Records, described as follows:

Beginning at the intersection of a line that is parallel with and distant 30 feet Easterly, measured at right angles, from the center line of Hatcher Avenue, as shown on Parcel Map No. 105 of the City of Industry, recorded in Book 81, Page 28 of Parcel Maps, in the Office of the County Recorder of said County, with a line that is parallel with and distant 260.00 feet Southerly, measured at right angles, from the Southerly line of the land conveyed to the Board of Trustees of the Rowland School District, by Deed recorded in Book 5402, Page 208 of Deeds, records of said County; thence South  $78^{\circ} 06' 24''$  East, along said parallel line, a distance of 314.03 feet; thence South  $11^{\circ} 53' 36''$  West, along the Southerly prolongation of the Easterly line of said land conveyed to the Rowland School District, a distance of 292.04 feet to a point on a curve concave to the North and having a radius of 377.48 feet; a radial line through said point bears North  $11^{\circ} 07' 16''$  East, said curve being tangent at its Easterly terminus with a line that is parallel with and distant 14.00 feet Northerly measured at right angles, from the Northerly line of that certain strip of land 230.00 feet wide, described in Deed to the State of California, recorded on May 11, 1959 in Book D-462, Page 243 of Official Records of said County; thence Northwesterly along said curve through a central angle of  $27^{\circ} 16' 30''$  an arc distance of 179.70 feet; thence North  $51^{\circ} 36' 14''$  West 138.50 feet to the beginning of a tangent, curve concave to the Northeast and having a radius of 39.00 feet; thence Northwesterly along said curve through a central angle of  $76^{\circ} 35' 15''$ , an arc distance of 52.13 feet to a point of reverse curvature on a curve concave to the West and having a radius of 155.00 feet; thence Northerly along said curve through a central angle of  $13^{\circ} 05' 25''$  an arc distance of 35.41 feet, to a point on the aforementioned parallel line that is distant 30.00 feet Easterly from said line of Hatcher Avenue; thence North  $11^{\circ} 53' 36''$  East, along said line, a distance of 111.76 feet to the point of beginning.

Assessor's Parcel Number: **8264-013-013**

**SCHEDULE B**  
**EXCEPTIONS FROM COVERAGE**

THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE BY REASON OF THE FOLLOWING:

- A. Property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, to be levied for the fiscal year 2004 - 2005 which are a lien not yet payable.
- B. Second installment property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, for the fiscal year 2003 - 2004.  
 Amount: \$33,573.02 This amount is valid until April 10, after which penalties apply  
 Penalty (including cost): \$None  
 Exemption: \$None  
 Code Area: 12290  
 Assessment No.: 8264-013-013  
 Said matter affects Parcel 17 of Parcel A
- C. Second installment property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, for the fiscal year 2003 - 2004.  
 Amount: \$11,153.03 This amount is valid until April 10, after which penalties apply  
 Penalty (including cost): \$None  
 Exemption: \$None  
 Code Area: 12290  
 Assessment No.: 8264-013-014  
 Said matter affects Parcel 18 of Parcel A
- D. Second installment property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, for the fiscal year 2003 - 2004.  
 Amount: \$56,998.21 This amount is valid until April 10, after which penalties apply  
 Penalty (including cost): \$None  
 Exemption: \$None  
 Code Area: 12290  
 Assessment No.: 8264-013-015  
 Said matter affects Parcel 19 of Parcel A
- E. Second installment property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, for the fiscal year 2003 - 2004.  
 Amount: \$18,603.71 This amount is valid until April 10, after which penalties apply  
 Penalty (including cost): \$None  
 Exemption: \$None  
 Code Area: 12290  
 Assessment No.: 8264-013-016  
 Said matter affects Parcel 20 of Parcel A

**SCHEDULE B Continued**

- F. Second installment property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, for the fiscal year 2003 - 2004.

Amount: \$120,351.46 This amount is valid until April 10, after which penalties apply  
 Penalty (including cost): \$None  
 Exemption: \$None  
 Code Area: 12290  
 Assessment No.: 8264-012-028

Said matter affects Parcel 21 of Parcel A

- G. Second installment property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, for the fiscal year 2003 - 2004.

Amount: \$68,965.34 This amount is valid until April 10, after which penalties apply  
 Penalty (including cost): \$None  
 Exemption: \$None  
 Code Area: 08267  
 Assessment No.: 8264-012-030

Said matter affects Parcels C and D

- H. Supplemental or escaped assessments of property taxes, if any, assessed pursuant to the Revenue and Taxation Code of the State of California, after date of policy.

- I. Special Taxes as disclosed by a "Notice of Special Tax Lien" pursuant to Government Code Section 53328.3 and Streets and Highways Code Section 3114.5, if any, or pending Special Taxes evidenced by the inclusion of said land within the boundaries of a Mello-Roos (or other) Community Facilities District as disclosed by a district map or diagram, if any appearing in the public records.

Said Special Taxes may be collected with the property taxes.

THE FOLLOWING MATTERS AFFECT PARCELS "A" AND "B".

1. An easement for the purpose shown below and rights incidental thereto as set forth in a document  
 Granted to: Associates Telephone Company, Ltd., a Corporation and Southern California Edison Company, a Corporation  
 Purpose: Electric line  
 Recorded: December 19, 1949 as Instrument No. 2852 in Book 31765 Page 364 of Official Records  
 Affects: the Westerly 5 feet of Parcels 17 and 20

Said easement is delineated on said Parcel Map No. 234.

**SCHEDULE B Continued**

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

2. An easement for the purpose shown below and rights incidental thereto as set forth in a document
 

Granted to:	State of California
Purpose:	highway drainage
Recorded:	December 23, 1959 as Instrument No. 1114 in Book D-701, Page 504 of Official Records
Affects:	portion of said land

Reference is made to said document for full particulars.

Said matter affects Parcel B

3. An easement for the purpose shown below and rights incidental thereto as set forth in a document
 

Granted to:	State of California
Purpose:	public highway slope
Recorded:	August 21, 1959 as Instrument No. 1945 in Book D-576, Page 606 of Official Records
Affects:	portion of said Parcels 20 and 21

Said easement is delineated on said Parcel Map No. 234.

Said easement was relinquished to the City of Industry by document recorded March 29, 1968 as Instrument No. 2905 in Book R-2954, Page 919 of Official Records.

Reference is made to said document for full particulars.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

4. An easement affecting the portion of said land and for the purposes stated herein, and incidental purposes, condemned by final decree.
 

Purpose:	State highway
Case No.:	707797
Recorded:	May 19, 1960 as Instrument No. 3781 in Book D-852, Page 76 of Official Records

Reference is made to said document for full particulars.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

5. The fact that the ownership of said land does not include any rights of ingress or egress to or upon Pomona Freeway, said rights having been condemned by an instrument recorded May 19, 1960 as Instrument No. 3781 in Book D-852, Page 76 of Official Records.
6. An easement for the purpose shown below and rights incidental thereto as set forth in a document
 

Granted to:	State of California
Purpose:	highway drainage
Recorded:	January 28, 1963 as Instrument No. 1504 in Book D-1900, Page 60 of Official Records
Affects:	portion of said land

Reference is made to said document for full particulars.

**SCHEDULE B Continued**

Said matter affects Parcel B

7. The fact that the ownership of said land does not include any rights of ingress or egress to or upon Pomona Freeway, said rights having been relinquished, by an instrument recorded January 28, 1963 as Instrument No. 1504 in Book D-1900, Page 60 of Official Records.

Said matter affects Parcel B

8. A waiver in favor of State of California of any claims for damage to said land by reason of the location of a freeway contiguous thereto as contained in Grant Deed, recorded January 28, 1963 as Instrument No. 1504 in Book D-1900, Page 60 of Official Records.

Said matter affects Parcel B

9. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |   |
|-------------|---|
| Granted to: | State of California   |
| Purpose:    | slope   |
| Recorded:   | January 28, 1963 as Instrument No. 1505 in Book D-1900, Page 67 of Official Records |
| Affects:    | portion of said land  |

Said easement was relinquished to the City of Industry in document recorded in Book R-2954 Page 919 of Official Records.

Reference is made to said document for full particulars.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

10. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |   |
|-------------|---|
| Granted to: | State of California   |
| Purpose:    | drainage  |
| Recorded:   | January 28, 1963 as Instrument No. 1505 in Book D-1900, Page 67 of Official Records |
| Affects:    | portion of said land  |

As shown and delineated on the map of said Parcel Map No. 234.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

11. The fact that said land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document.

Redevelopment Agency:	The Community Redevelopment Agency of the City of Industry
Recorded:	September 17, 1971 as Instrument No. 3729 and November 18, 1971 as Instrument No. 3571 of Official Records

12. An easement affecting the portion of said land and for the purposes stated herein, and incidental purposes, condemned by final decree.
- |           |   |
|-----------|---|
| Purpose:  | drainage  |
| Case No.: | 946,649   |
| Recorded: | July 17, 1972 as Instrument No. 2871 in Book D-5534, Page 1 of Official Records |

**SCHEDULE B Continued**

Reference is made to said document for full particulars.

Said matter affects Parcel 21

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

13. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |  |
|-------------|--|
| Granted to: | City of Industry, a Municipal Corporation                      |
| Purpose:    | storm drain and appurtenant structures                         |
| Recorded:   | April 23, 1981 as Instrument No. 81-408057 of Official Records |
| Affects:    | a portion of Parcel 21   |

Reference is made to said document for full particulars.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

14. An easement for the purposes shown below and rights incidental thereto as shown or as offered for dedication on the recorded map shown below.
- |                   |                                     |
|-------------------|-------------------------------------|
| Map:              | Parcel Map No. 234                  |
| Easement purpose: | sewer                               |
| Affects:          | those portions of Parcels 17 and 21 |

The Southeasterly 315.00 feet of the 335.00 foot sewer easement, shown on Parcel 21 of said Parcel Map No. 234, was quitclaimed by the City of Industry, a Municipal Corporation, in deed recorded May 29, 1987 as Instrument No. 87-851673 of Official Records.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

15. An easement for the purposes shown below and rights incidental thereto as shown or as offered for dedication on the recorded map shown below.
- |                   |                                     |
|-------------------|-------------------------------------|
| Map:              | Parcel Map No. 234                  |
| Easement purpose: | storm drain                         |
| Affects:          | those portions of Parcels 17 and 21 |

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

16. An unrecorded owner participation agreement, dated August 20, 1985, executed by and between the Industry Urban Development Agency and Industry Number 1, a joint venture, as disclosed by a grant deed recorded August 14, 1986 as Instrument No. 86-1055550 of Official Records.
17. Covenants, conditions and restrictions as set forth in the document referred to in the numbered item last above shown.
18. Reciprocal easement and operation agreement, dated May 28, 1986 executed by and between Dicker-Warmington Properties, a California General Partnership, the Home Depot, Inc., a Delaware Corporation, Toys "R" Us, Inc., a Delaware Corporation, and Topvalco Inc., an Ohio Corporation, in, upon and to all the terms, covenants, conditions, provisions, reservations, limitations, duties, obligations, liens, assessments and easements as more fully described as set forth in said agreement recorded August 14, 1986 as Instrument No. 86-1055553 of Official Records.

Said matter affects Parcel A and other property

**SCHEDULE B Continued**

The terms and provisions of said instrument have been modified by a document

Executed by: Burnham Pacific Properties, Inc., a California Corporation, Home Depot U.S.A., Inc., a Delaware Corporation, Toys "R" Us, Inc., a Delaware Corporation and Kornland Building, a California general partnership  
Recorded: December 2, 1994 as Instrument No. 94-2154047 of Official Records

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

19. An easement for the purpose shown below and rights incidental thereto as set forth in a document  
Granted to: General Telephone Company of California  
Purpose: public utilities  
Recorded: April 29, 1987 as Instrument No. 87-671249 of Official Records  
Affects: Parcels 17 and 19 exclusive of building sites
20. An easement for the purpose shown below and rights incidental thereto as set forth in a document  
Granted to: Southern California Gas Company  
Purpose: pipe lines with the right of ingress and egress  
Recorded: May 12, 1987 as Instrument No. 87-743458 of Official Records  
Affects: the Southerly 10 feet of said Parcel 21

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

21. An easement for the purpose shown below and rights incidental thereto as set forth in a document  
Granted to: Southern California Gas Company  
Purpose: pipe lines, ingress and egress  
Recorded: May 12, 1987 as Instrument No. 87-743459 of Official Records  
Affects: the Southerly 10 feet of said Parcels 17 through 20

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

22. An easement for the purpose shown below and rights incidental thereto as set forth in a document  
Granted to: Southern California Edison Company  
Purpose: underground electrical supply systems and communication systems  
Recorded: June 25, 1987 as Instrument No. 87-1014093 of Official Records

Affects: Portions of the herein described land, the exact location of which can be determined by examination of the above-mentioned instrument, which contains a complete legal description of the affected portions of said land.

Said matter affects Parcel 21

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

23. A yard agreement dated August 13, 1987, executed by Dicker-Warmington Properties and recorded August 19, 1987 as Instrument No. 87-1323381, of Official Records.

Said agreement provides for an easement over the Easterly 28.5 feet of Parcel 17.

**SCHEDULE B Continued**

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

24. A yard agreement dated August 13, 1987, executed by Dicker-Warmington Properties and recorded August 19, 1987 as Instrument No. 87-1323382 of Official Records.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

25. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |  |
|-------------|--|
| Granted to: | Southern California Edison Company   |
| Purpose:    | underground electrical supply systems and communication systems  |
| Recorded:   | August 20, 1987 as Instrument No. 87-1332936 of Official Records   |
| Affects:    | the Southerly 12 feet of the Westerly 16 feet of said Parcel 18; the Westerly 10 feet of the Northerly 131 feet of the Southerly 143 feet of said Parcel 18; the Northerly 13 feet of the Westerly 14 feet of the Southerly 156 feet of said Parcel 18 |

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

26. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |   |
|-------------|---|
| Granted to: | Southern California Edison Company  |
| Purpose:    | underground electrical supply systems and communications                                |
| Recorded:   | August 28, 1987 as Instrument No. 87-1392474 of Official Records                        |
| Affects:    | the Southerly 14 feet of the Easterly 16 feet of the Westerly 21 feet of said Parcel 21 |

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

27. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |   |
|-------------|---|
| Granted to: | Southern California Edison Company                                  |
| Purpose:    | underground electrical supply systems and communication systems     |
| Recorded:   | September 10, 1987 as Instrument No. 87-1457807 of Official Records |
| Affects:    | the Westerly 6 feet of the Northerly 57 feet of said Parcel 18      |

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

28. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |  |
|-------------|--|
| Granted to: | Rowland Water District   |
| Purpose:    | water systems  |
| Recorded:   | December 20, 1988 as Instrument No. 88-2030144 of Official Records |
| Affects:    | portion of said land   |

**SCHEDULE B Continued**

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

29. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |  |
|-------------|--|
| Granted to: | Rowland Water District   |
| Purpose:    | water systems  |
| Recorded:   | December 20, 1988 as Instrument No. 88-2030146 of Official Records |
| Affects:    | portions of Parcel 17  |

Reference is made to said document for full particulars.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

30. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |  |
|-------------|--|
| Granted to: | Rowland Water District   |
| Purpose:    | water systems  |
| Recorded:   | December 20, 1988 as Instrument No. 88-2030147 of Official Records |
| Affects:    | that portion of said Parcel 3                                      |

Reference is made to said document for full particulars.

Said matter affects Parcel B

31. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |  |
|-------------|--|
| Granted to: | Rowland Water District   |
| Purpose:    | water systems  |
| Recorded:   | December 20, 1988 as Instrument No. 88-2030148 of Official Records |
| Affects:    | those portions of Parcel 19  |

Reference is made to said document for full particulars.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

32. Matters contained in a yard agreement, executed by Dicker-Warmington Properties, a California General Partnership and recorded March 26, 1992 as Instrument No. 92-513639 of Official Records.

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

THE FOLLOWING MATTERS AFFECT PARCELS C AND D.

33. An easement over that portion of said land along which ran the ditch in use by John Reed in July 1871 and known as the Reed Ditch, as granted by Thomas Rowland to John Reed, by deed recorded in Book 17 Page 445 of Deeds.

Said matter affects Parcel D

**SCHEDULE B Continued**

34. The fact that the ownership of said land does not include any rights of ingress or egress to or from the freeway adjacent to said land, said rights having been relinquished to the State of California by deed.

Recorded: April 10, 1958 as Instrument No. 1700 in Book D-68 Page 534 of Official Records.

And recorded May 11, 1959 as Instrument No. 1320 in Book D-463 Page 243 of Official Records.

Among other things, said document provides:

That said ownership shall include the right of access to the Frontage Road, which will be connected to the freeway only at such points as may be established by public authority.

Said matter affects Parcel D

35. A waiver in favor of the State of California of any claims for damage to said land by reason of the location of a public highway contiguous thereto as contained in instruments above mentioned.

Said matter affects Parcel D

36. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: The City of Industry, a Municipal Corporation  
 Purpose: street and highway purposes to be known as Hatcher Avenue  
 Recorded: September 12, 1966 as Instrument No. 2096 of Official Records  
 Affects: the Westerly 5 feet of Parcel "C"

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

37. The fact that said land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document.

Redevelopment Agency: The Community Redevelopment Agency of the City of Industry  
 Recorded: September 17, 1971 as Instrument No. 3729 and November 18, 1971 as Instrument No. 3571 both of Official Records

38. A covenant and agreement wherein the owners of said land covenant and agree that said land shall be held as one parcel and no portion shall be sold separately, which covenant is expressed to run with the land and be binding upon future owners

Executed by: Dicker-Warmington Properties, a California General Partnership  
 In favor of: City of Industry  
 Recorded: February 19, 1992 as Instrument/File No. 92-273689, Official Records

39. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Southern California Edison Company  
 Purpose: underground electrical supply systems and communication systems  
 Recorded: June 24, 1992 as Instrument No. 92-1152173 of Official Records  
 Affects: portion of said land

Reference is made to said document for full particulars.

**SCHEDULE B Continued**

40. An easement for the purpose shown below and rights incidental thereto as set forth in a document
- |             |  |
|-------------|--|
| Granted to: | GTE California Incorporated                                      |
| Purpose:    | public utilities   |
| Recorded:   | August 19, 1992 as Instrument No. 92-1546378 of Official Records |
| Affects:    | portion of said land   |

Said easement is located as shown on the ALTA-ACSM Land Title Survey for the referenced property by Thienes Engineering, Inc., Job No. 2440, dated December 3, 2003.

Said matter affects Parcel C

41. Water rights, claims or title to water, whether or not shown by the public records.

THE FOLLOWING MATTERS AFFECT ALL PARCELS

42. The rights, interests of the following parties in possession under unrecorded leases, agreements or contracts, but without any rights or options to purchase said land:

Surflin Outlet  
 The Hop  
 3 Day Suit Broker  
 Jennifer Convertible  
 Venetian Furniture  
 Kid's Room  
 Mattress Discounters  
 Felikan Carpet One  
 Century Home Furnishing  
 Waltrip's Music Center  
 Verizon Wireless  
 K&G Men's Center, Inc.  
 Circuit City  
 California Leather  
 Ikea

43. Any rights, interest or claims which may exist or arise by reason of the following facts shown on a survey plat

Entitled:	ALTA/ACSM Land Survey (of) 17525 - 17801 East Gale Avenue, J.N. 2440
Dated:	December 3, 2003
Prepared by:	Thienes Engineering, Inc.

ITEMS AFFECTING PARCEL A OF SAID LAND:

A) The fact that the building addressed 17621 East Gale Avenue encroaches onto the drainage easement per D5534/1 O.R. and onto the public utility easement per #87-1019093 O.R.

B) The fact that a parking lot with traffic islands on said land encroaches onto and over said drainage easement per D-5534/1 O.R.

C) The fact that the building addressed 17701 East Gale Avenue encroaches onto the public Utility easement per #87-1332936 O.R.

D) The fact that a transformer pad is located partly outside the public utility easement per #87-1014093 O.R.

E) The fact that a valley gutter with drop inlets on land adjoining to the East meanders onto said land then back onto said adjoining land; another valley gutter on said adjoining land crosses onto said land.

**SCHEDULE B Continued**

- F) The fact that an electric vault, meter boxes, valve covers, fire hydrants, post indicator valves, fire department connections, a utility vault, a storm drain manhole, catch basins and sewer clean outs on said land may disclose unrecorded easement or lesser rights.

ITEMS AFFECTING PARCEL C OF SAID LAND:

- A) The fact that the building addressed 17543 East Gale Avenue encroaches onto the public utility easement per #92-1546378 O.R.
- B) The fact that two transformer pads are located partly outside of the public utility easement per #92-1152173 O.R.
- C) The fact that sewer clean outs, a GTE manhole, a fire hydrant, a pest indicator valve and Backflow prevention devices on said land may disclose unrecorded easements or lesser rights.
- D) The fact that a transformer pad is located partly outside the public utility easement per #87-1014093 O.R.

ITEMS AFFECTING PARCEL D OF SAID LAND:

- A) The fact that a drop inlet, a backflow prevention device and a fire department connection on said land may disclose unrecorded easements or lesser rights.

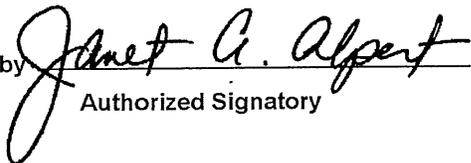
Endorsements: 100.29,103.5,103.7modified,116,116.1,116.7,123.2,LT203  
LT253

**ENDORSEMENT**  
**ATTACHED TO POLICY NO. 05304811**  
**ISSUED BY**  
**Lawyers Title Insurance Corporation**

The Company insures the insured against loss which the insured shall sustain by reason of damage to existing improvements, including lawns, shrubbery or trees resulting from the exercise of any right to use the surface of the land or any portion thereof lying above a depth of 500 feet for the extraction or development of the minerals excepted from the description of the land or shown as a reservation in Schedule B.

This endorsement is made a part of the policy and is subject to all of 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 and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

by   
Authorized Signatory

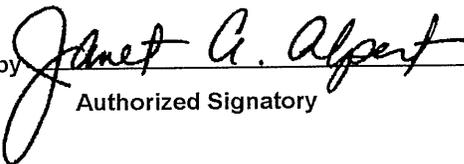
**ENDORSEMENT**

**ATTACHED TO POLICY NO. 05304811  
ISSUED BY  
Lawyers Title Insurance Corporation**

The Company hereby insures the insured against loss which the insured shall sustain by reason of damage to existing improvements, including lawns, shrubbery or trees, resulting from the exercise of any right to use the surface of the land or any portion thereof lying above a depth of 500 feet for the extraction or development of water excepted from the description of the land or shown as a reservation in Schedule B.

This endorsement is made a part of the policy and is subject to all of 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 and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

by   
Authorized Signatory

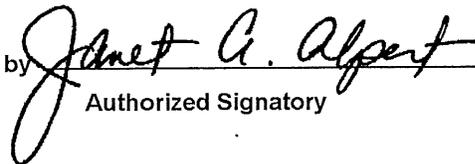
**ENDORSEMENT**

**ATTACHED TO POLICY NO. 05304811  
ISSUED BY  
Lawyers Title Insurance Corporation**

The Company hereby insures against loss or damage sustained by the insured if, at date of policy; (i) the land does not abut and have both actual vehicular and pedestrian access to and from East Gale Avenue, a physically open road publicly maintained, or (ii) the insured has no right to use existing curb cuts or entries.

This endorsement is made a part of the policy and is subject to all of 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 and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

by   
Authorized Signatory

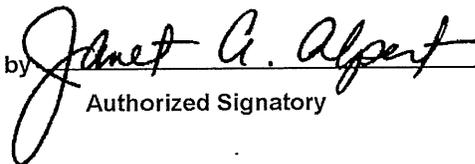
**ENDORSEMENT**

**ATTACHED TO POLICY NO. 05304811  
ISSUED BY  
Lawyers Title Insurance Corporation**

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the land to be the same as that delineated on the plat of a survey made by Thienes Engineering on December 3, 2003, designated Job No. J.N. 2440, a copy of which is attached hereto and made a part hereof.

This endorsement is made a part of the policy and is subject to all of 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 and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

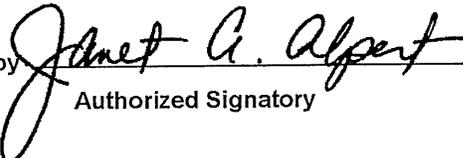
by   
Authorized Signatory

**ENDORSEMENT**  
**ATTACHED TO POLICY NO. 05304811**  
**ISSUED BY**  
**Lawyers Title Insurance Corporation**

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the land described in Schedule A to constitute a lawfully created parcel according to the Subdivision Map Act (Section 66410, et seq., of the California Government Code) and local ordinances adopted pursuant thereto.

This endorsement is made a part of the policy and is subject to all of 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 and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

by   
Authorized Signatory

## ENDORSEMENT

ATTACHED TO POLICY NO. 05304811  
ISSUED BY

### Lawyers Title Insurance Corporation

1. The Company insures the Insured against loss or damage sustained in the event that, at Date of Policy:
  - (a) According to applicable zoning ordinances and amendments thereto, the land is not classified Zone Commercial.
  - (b) The following use or uses are not allowed under that classification:  
Commercial Shopping Center

and there shall be no liability under this paragraph 1(b) if the use, or uses are not allowed as the result of any lack of compliance with any conditions, restrictions, or requirements contained in the zoning ordinances and amendments thereto mentioned above, including but not limited to the failure to secure necessary consents or authorizations as a prerequisite to the use or uses.

2. The Company further insures against loss or damage arising from a final decree of a court of competent jurisdiction
  - (a) prohibiting the use of the land, with any structure presently located thereon, as specified in paragraph 1(b); or
  - (b) requiring the removal or alteration of the structure  
on the basis that, at Date of Policy, the ordinances and amendments thereto have been violated with respect to any of the following matters:
    - (i) Area, width or depth of the land as a building site for the structure;
    - (ii) Floor space area of the structure;
    - (iii) Setback of the structure from the property lines of the land
    - (iv) Height of the structure; or
    - (v) Number of parking spaces

There shall be no liability under this endorsement based on:

- (a) The invalidity of the ordinances and amendments thereto mentioned above until after a final decree of a court of competent jurisdiction adjudicating the invalidity, the effect of which is to prohibit the use or uses.
- (b) The refusal of any person to purchase, lease or lend money on the estate or interest conveyed by this policy.

This endorsement is made a part of the policy and is subject to all of 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 and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

by Janet A. Albert  
Authorized Signatory

**ENDORSEMENT**  
**ATTACHED TO POLICY NO. 05304811**  
**ISSUED BY**  
**Lawyers Title Insurance Corporation**

The Company hereby insures against loss which the Insured shall sustain by reason of any of the following matters:

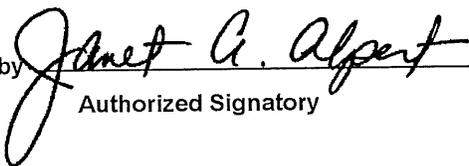
1. Any incorrectness in the assurance which the Company hereby gives:
  - (a) That there are no covenants, conditions, or restrictions under which title to said estate or interest can be terminated;
  - (b) That there are no present violations on said land of any enforceable covenants, conditions or restrictions.
  - (c) That, except as shown in Schedule B, there are no encroachments of buildings, structures, or improvements located on said land onto adjoining lands, nor any encroachments onto said land of buildings, structures, or improvements located on adjoining lands.
2. Unmarketability of the title to said estate or interest by reason of any violations on said land, occurring prior to acquisition of title to said estate or interest by the Insured, of any covenants, conditions or restrictions.
3. Damage to existing improvements, including lawns, shrubbery, or trees,
  - (a) which are located or encroached upon that portion of the land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purposes for which the same was granted or reserved;
  - (b) 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.
4. Any final court order or judgment requiring removal from any land adjoining said land of any encroachment shown in Schedule B.

Wherever in this endorsement any or all the words "covenants, conditions or restrictions" appear, they shall not be deemed to refer to or include the terms covenants and conditions contained in any lease referred to in said policy.

For purposes of this endorsement, the words "covenants," "conditions" or "restrictions" shall not be deemed to refer to or include any covenants, conditions or restrictions relating to environmental protection, except to the extent that a notice of a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy and is not excepted in Schedule B.

This endorsement is made a part of the policy and is subject to all of 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 and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

by   
Authorized Signatory

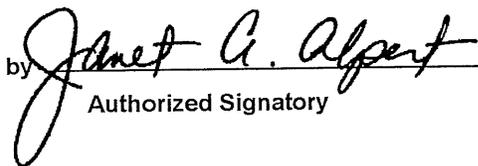
**ENDORSEMENT**

**ATTACHED TO POLICY NO. 05304811  
ISSUED BY  
Lawyers Title Insurance Corporation**

The Company hereby insures the Insured against any loss or damage which the insured shall sustain in the event any portion of the fee or leasehold property described in Schedule A lies within a tax parcel which includes any property other than the property described in Schedule A.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto, except that the insurance afforded by this endorsement is not subject to Section 3(d) of the Exclusions from Coverage. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

by   
Authorized Signatory

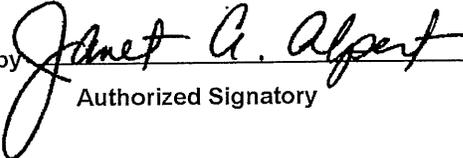
**ENDORSEMENT**

**ATTACHED TO POLICY NO. 05304811  
ISSUED BY  
Lawyers Title Insurance Corporation**

The Company hereby insures the owner of the indebtedness secured by the insured mortgage against loss or damage which the insured shall sustain by reason of the failure of (i) commercial/industrial property known as 17525 - 17801 East Gale Avenue, City of Industry, California, to be located on the land at Date of Policy, or (ii) the map attached to this policy to correctly show the location and dimensions of the land according to the public records.

This endorsement is made a part of the policy and is subject to all of 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 and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Dated: January 8, 2004

by   
Authorized Signatory

SCALE IN 1/10 OF AN INCH

SEGNANINGUO SINGH THE DIVISION OF

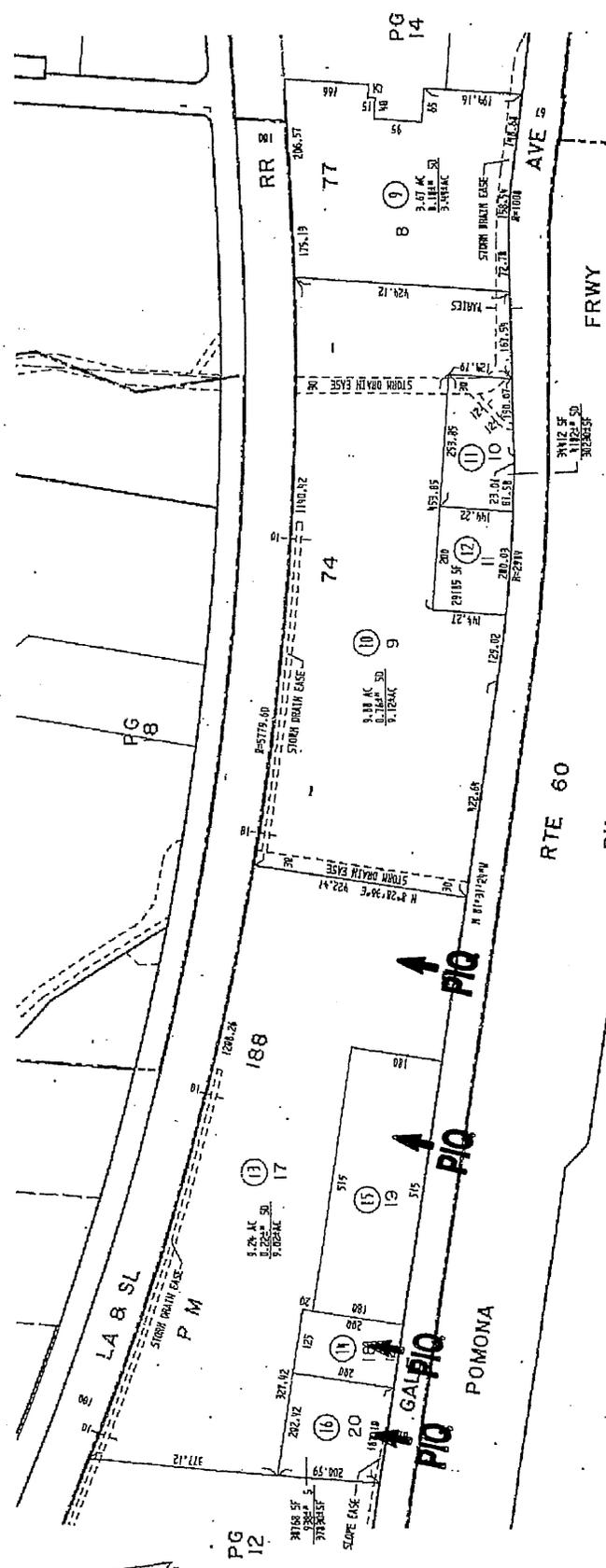
THIS MAP SHOULD BE USED FOR REFERENCE PURPOSES ONLY. THE COMPANY ASSUMES NO LIABILITY FOR LOSS OCCURRING BY REASON OF RELIANCE THEREON.

1-800-345-7334

SCALE 1" = 200'  
P.A. 8264-12,13,14

TRA 12280

8264 13  
1999



NOV 11 1998

"This plat is for your aid in locating your land with reference to streets or other parcels. While this plat is believed to be correct, the Company Assumes no liability for any loss occurring by reason of reliance thereon".

**Lawyers Title**

8264 12 SHEET

PA. 8264-12-13-14 TBA 1230

REVISED

REPRODUCTION OF THIS MAP IS PROHIBITED WITHOUT THE WRITTEN PERMISSION OF THE ASSessor

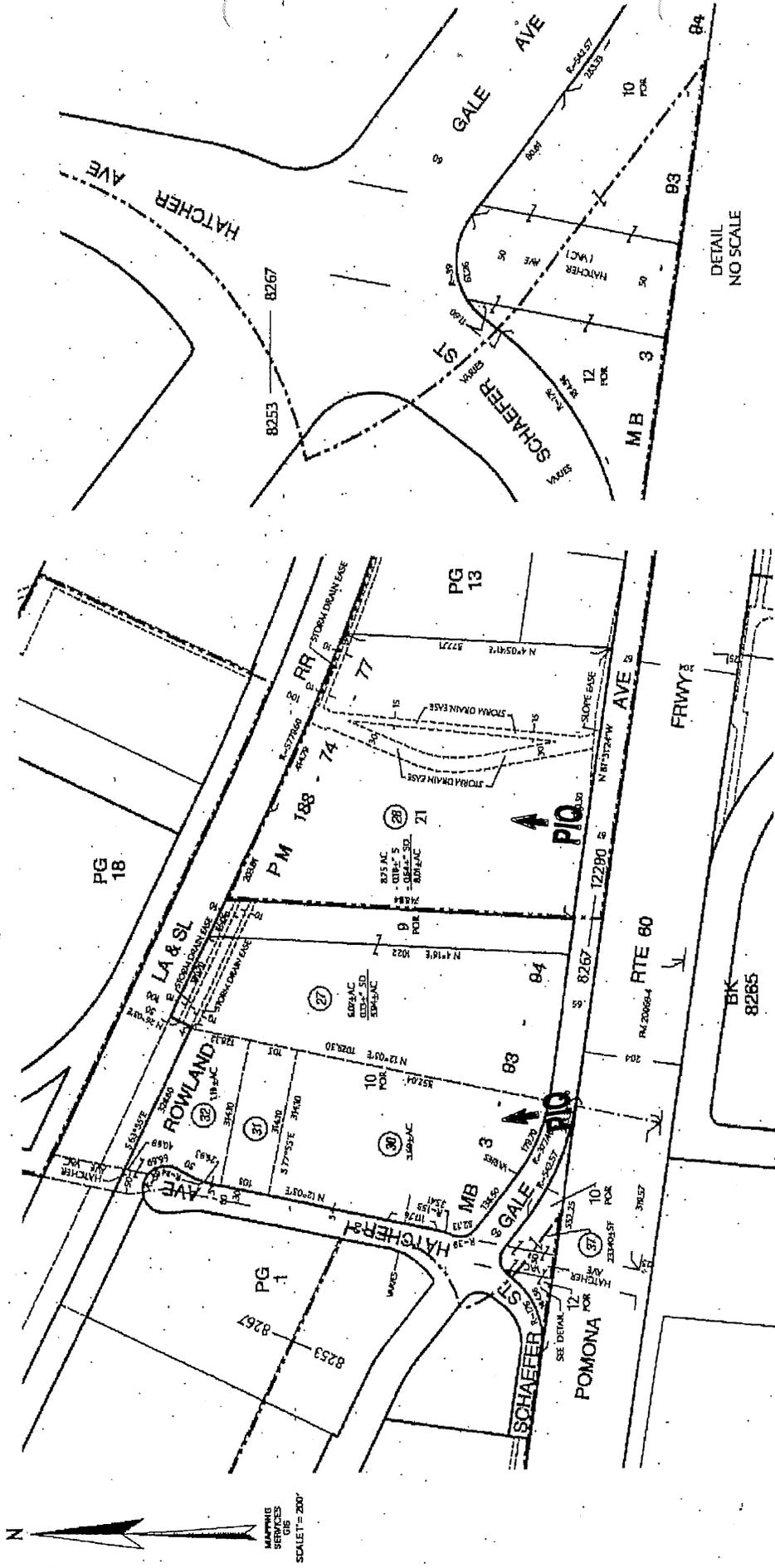
THIS MAP SHOULD BE USED IN CONJUNCTION WITH THE LOCAL SUBDIVISION OR BUILDING ORDINANCES.

SEARCHING

MAP EXTENTS 4310465-4312364 410863-111274

OFFICE OF THE ASSESSOR COUNTY OF LOS ANGELES

2003



DETAIL NO SCALE

MAR 11 2003

"This plat is for your aid in locating your land with reference to streets or other parcels. While this plat is believed to be correct, the Company Assumes no liability for any loss occurring by reason of reliance thereon".

Lawyers Title