

EL DORADO COUNTY BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL
Meeting of September 26, 2006

AGENDA TITLE: South Lake Tahoe Animal Control Facility - Property Acquisition

DEPARTMENT: General Services Department

DEPT SIGNOFF:

CAO USE ONLY:

9/18

CONTACT: Deb Lane/George Sanders

DATE: 9/14/2006

PHONE: 5933/5785

DEPARTMENT SUMMARY AND REQUESTED BOARD ACTION:

General Services Department recommending the Board of Supervisors:

- 1) Authorize the Chairman to sign all escrow instructions specific to said acquisition;
- 2) Authorize the Chair to sign the Certificate of Acceptance;
- 3) Authorize the Auditor/Controller to issue a check made payable to Placer Title Company in the amount of \$115,660.50; and
- 4) Authorize General Services to deposit said escrow instructions and monies with Placer Title Company.

CAO RECOMMENDATIONS: Recommend approval. Laura A. Gill 9/19/06

Financial impact? ☒ Yes ☐ No

Funding Source: ☐ Gen Fund ☒ Other

BUDGET SUMMARY:

Other: Accumulated Outlay Fund

Total Est. Cost \$115,660.50

Funding

Budgeted \$115,660.50

New Funding _____

Savings _____

Other _____

Total Funding \$115,660.50

Change in Net County Cost

CAO Office Use Only:

4/5's Vote Required ☐ Yes ☒ No

Change in Policy ☐ Yes ☐ No

New Personnel ☐ Yes ☒ No

CONCURRENCES:

Risk Management _____

County Counsel _____

Other _____

***Explain** Appropriated in the ACO Budget: original funding for the project derived from the General Fund.

BOARD ACTIONS:

Vote: Unanimous _____ Or

Ayes:

Noes:

Abstentions:

Absent:

Rev. 04/05

I hereby certify that this is a true and correct copy of an action taken and entered into the minutes of the Board of Supervisors

Date: _____

Attest: Cindy Keck, Board of Supervisors Clerk

By: _____



The County of El Dorado

Department of General Services

Joanne M. Narloch, Director

*Location: 345 Fair Lane, Placerville, CA
Mailing: 360 Fair Lane, Placerville, CA 95667
Phone (530) 621-5847 Fax (530) 295-2538*

September 26, 2006

Board of Supervisors
330 Fair Lane
Placerville, CA 95667

Re: South Lake Tahoe Animal Control Facility Acquisition – APN. 035-183-14-100

Dear Board Members:

Recommendation:

General Services Department recommending the Board of Supervisors:

- 1) Authorize the Chairman to sign all escrow instructions specific to said acquisition;
- 2) Authorize the Chair to sign the Certificate of Acceptance;
- 3) Authorize the Auditor/Controller to issue a check made payable to Placer Title Company in the amount of \$115,660.50; and
- 4) Authorize General Services to deposit said escrow instructions and monies with Placer Title Company.

Reason for Recommendation:

On June 20, 2006, the Board of Supervisors approved item #20 for the Purchase and Sales Agreement and to initiate escrow activities to finalize the property acquisition. General Services is asking the Board to authorize all necessary actions to close this escrow on September 29, 2006.

Fiscal Impact:

The negotiated sales price of \$115,660.50 is appropriated in the FY05/06 Accumulated Capital Outlay (ACO) Budget and will be carried over to FY06/07. The original funding for this project is derived from a General Fund contribution to the ACO.

Action to be Taken Following Approval:

1. Board Chairman will sign the Certificate of Acceptance.
2. Auditor/Controller will issue and release a check in the amount of \$115,660.50 to General Services.
3. General Services will submit the escrow instructions and check to the escrow holder, Placer Title Company
4. Placer Title Company will deposit said funds and complete the acquisition process.

Respectfully submitted,

Joanne M. Narloch
Director

Item	Charges	Credits
Sales Price	115,000.00	
CLTA Standard Coverage Policy (50/50) PLACER TITLE COMPANY	328.50	
County Transfer Tax (50/50) PLACER TITLE COMPANY	63.25	
Recording Fees Grant Deed (Est.) PLACER TITLE COMPANY	7.50	
Escrow Fee (50/50) PLACER TITLE COMPANY	223.75	
EWC Drawing Fee PLACER TITLE COMPANY	37.50	
**** SubTotals ****	115,660.50	0.00
Due From Buyer/Borrower		115,660.50
Totals	115,660.50	115,660.50

PLACER TITLE COMPANY

Buyer's/Borrower's Estimated Settlement Statement

Estimated Closing Date: 09-18-2006

Continued

Date: 09-14-2006 03:39PM

Escrow Officer: Erika Brownell

Escrow# 203-5187

Buyer(s):

COUNTY OF EL DORADO

Property:

1120 SHAKORI DRIVE
SOUTH LAKE TAHOE, CA 96150

I/We hereby agree to pay all my proper costs and fees, including any taxes, assessments and liens of public record, and any adjustments thereto, and authorize you to deduct same from funds due me and remit the balance to me at an address designated by the undersigned.

COUNTY OF EL DORADO, A political subdivision of the State of California

By: _____
SIGNED

RECORDING REQUESTED BY

PLACER TITLE COMPANY

Escrow Number: 203-5187-

AND WHEN RECORDED MAIL TO

COUNTY OF EL DORADO
330 FAIR LANE
PLACERVILLE, CA 95667

A.P.N.: 035-183-14-100

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$ City Transfer Tax: \$0.00

(X) computed on full value of property conveyed, or

() computed on full value less value of liens and encumbrances remaining at time of sale.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **LOUIS L. HUNGATE, SURVIVING JOINT TENANT**

Hereby GRANT(S) to **COUNTY OF EL DORADO**, a political subdivison of The State of California

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF EL DORADO, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR FULL LEGAL DESCRIPTION

Dated: September 14, 2006

By: _____
LOUIS L. HUNGATE,

READ AND APPROVED

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

SAME AS ABOVE

Name

Street Address

City & State

STATE OF CALIFORNIA
COUNTY OF

On _____ before me, _____, Notary Public,
personally appeared _____

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument

WITNESS my hand and official seal.

Signature: _____
Commission Expiration Date: _____

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

SAME AS ABOVE

Name	Street Address	City & State
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EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF EL DORADO, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

LOT 40 AS SHOWN ON THAT CERTAIN MAP ENTITLED "TAHOE PARADISE UNIT NO. 51" FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY ON MAY 3, 1966 IN MAP BOOK "D" AT PAGE 63.

EXCEPTING THEREFROM ALL OIL, GAS AND HYDROCARBON SUBSTANCES AND ALL MINERALS OF WHATEVER KIND OR NATURE, TOGETHER WITH THE RIGHT TO RECOVER THE SAME, PROVIDED HOWEVER, THAT SUCH RECOVERY SHALL ONLY BE BY MEANS OF SLANT DRILLING OR BY MINE SHAFT MINING BELOW A DEPTH OF 100 FEET FROM THE SURFACE AS SET FORTH IN THAT CERTAIN DEED FROM TAHOE PARADISE, INC., A CALIFORNIA CORPORATION, RECORDED OCTOBER 17, 1975, IN BOOK 1354, PAGE 575 OFFICIAL RECORDS.

ASSESSORS PARCEL NO.: 035-183-14-100

PLACER TITLE COMPANY

1959 LAKE TAHOE BLVD.
SOUTH LAKE TAHOE, CA 96150
Phone: 530-542-1811
Fax: 530-542-1814

Date: September 14, 2006
Escrow No.: 203-5187-
Escrow Officer: Erika Brownell
Property Address:
1120 SHAKORI DRIVE
SOUTH LAKE TAHOE, CA 96150

BUYER'S INSTRUCTIONS

PLACER TITLE COMPANY, A California Corporation, is licensed to perform escrow services by the State of California, Department of Insurance under Certificate of Authority No. 279.

It is understood, by the parties hereto, that when the term "Escrow Holder" is used throughout these instructions it is always referring to PLACER TITLE COMPANY unless specifically stated otherwise.

I/We hand you herewith:

Cashier's check or verifiable funds in the amount stated on the attached Estimated Settlement Statement.
Read and Approved Copy of Preliminary Report
Preliminary Change of Ownership Statement
Fed & Cal Firpta Notice and/or Acknowledgements
Read and approved copy of the Grant Deed. (copy of grant deed out for signing)

You are hereby authorized to deliver and/or record all said documents and disburse said funds, together with the proceeds of any deed of trust mentioned, on account for the purchase price of the real property described in your above numbered escrow and on account for the other costs, fees and adjustments in connection therewith, when you can issue your CLTA Standard Coverage Policy of Title Insurance in the amount of \$115,000.00. Title to be as vested in the name of: COUNTY OF EL DORADO

Vesting Title As Follows: (Please Check One)

- ☐ Joint Tenants
☐ Community Property
☐ Community Property With Right of Survivorship
☐ Tenants in Common _____ % of Interest
☐ _____ Trustees of the _____ Trust dated _____
☐ Other _____
☐ With California Community Property Rights as Applicable to Registered Domestic Partnership
☐ With California Community Property and Survivorship Rights as Applicable to Registered Domestic Partnerships.

SUBJECT TO:

1. All printed exceptions and conditions in the policy.
2. All general and special taxes not delinquent.
3. The lien of supplemental taxes which may be assessed as a result of revised assessed values.
4. Bond and/or Special Assessments not delinquent.
5. Covenants, Conditions, Restrictions, Easements, Reservations now of record,
6. Exceptions numbered: , 5, 6, 7 as shown on Preliminary Report dated June 20, 2006.

Prorate as of Date of Recording (est. 09-18-2006);

() - Real Property Taxes (based on latest available tax bills)

Escrow Holder is hereby advised that the property being conveyed in this escrow is VACANT LAND. All permits and plans (if any) shall be delivered outside this escrow, directly between the parties and Escrow Holder shall not be concerned with same.

PRELIMINARY APPROVAL: The undersigned parties hereby acknowledge that they have received and read a copy of the Preliminary Report issued by Escrow Holder under this order number and describing the property which is the subject of this escrow. SELLER acknowledges that the information contained in the Preliminary Report is correct to the best of his knowledge.

These instructions are effective until revoked by written demand on you by the undersigned or any one of them. I hereby agree to pay all my proper costs and fees, including any adjustments, and request you to remit balance to me at the address shown below. THE UNDERSIGNED HAS READ AND APPROVED THE GENERAL PROVISIONS ATTACHED HERETO AND MADE NOTED AS ADDENDUM #1. Buyer's estimated settlement statement attached hereto and made a part hereof.
BUYER:

COUNTY OF EL DORADO, A political subdivision of
the State of California

By: _____
SIGNED

Mailing Address: _____

Phone: _____ Email: _____

Received PLACER TITLE COMPANY
By: _____ Date: _____ Time: _____

GENERAL PROVISIONS
(Addendum #1)

1. DEPOSIT OF FUNDS AND DISBURSEMENTS

All funds deposited in this escrow from any source shall be deposited by escrow holder in a non-interest bearing demand account or accounts in a state or national bank or savings and loan association. The depositors, may, at their election, request deposit of funds in an interest bearing account and escrow holder may charge a fee for establishing such account. The deposit of funds in a non-interest bearing account by escrow holder may result in escrow holder receiving a range of economic benefits from bank in the form of services, credits, benefits, or other things of value. All disbursement shall be made by Escrow Holder's check unless otherwise instructed in writing.

2. PRORATIONS AND ADJUSTMENTS

All prorations and/or adjustments called for in this escrow are to be made on the basis of a thirty (30) day month unless otherwise instructed in writing. The phrase "close of escrow" (C.O.E.) as used in this escrow means the date on which documents are recorded and relate only to proration and/or adjustments unless otherwise specified.

3. RECORDATION OF INSTRUMENTS

Escrow Holder is authorized to record any documents delivered through this escrow, if necessary or proper for the issuance of the requested policy of title insurance. Recordation of documents shall be construed as "close of escrow" unless otherwise specified in these instructions.

4. AUTHORIZATION TO FURNISH COPIES

Escrow Holder is authorized to furnish copies of these instructions, supplements, amendments or notices of cancellations, and closing statements in this escrow, to the real estate broker(s), lender(s), attorney(s), accountant(s) involved in this escrow as well as the title insurer issuing any requested policy(ies) of title insurance upon the request of said lenders, real estate brokers, attorneys, accountants and title insurer.

5. PERSONAL PROPERTY TAXES

No examination, UCC search or insurance as to personal property and/or the amount of payment of personal property taxes is required unless otherwise instructed in writing.

6. PROPERTY TAXES

Escrow Holder will prorate taxes on real property based on the latest available tax figures.

7. SUPPLEMENTAL PROPERTY TAXES

Buyer and Seller herein acknowledge that there may be supplemental and/or additional taxes which may be assessed by reason of change in ownership or completion of construction pursuant to California Revenue and Taxation Code Section 75 et seq.. This will be reflected in the policy of title insurance issued at close of escrow. Escrow holder shall not be concerned with any adjustment(s) or supplemental taxes between the parties for bills received by the parties after the close of escrow. Escrow Holder, shall also not be concerned with, or liable for payment, adjustment or proration of supplemental taxes assessed prior to close of escrow, unless said supplemental tax assessments are specifically reflected on the Tax Assessor's rolls or Seller provides any supplemental tax bills to Escrow holder with an explanation of time periods covered by the tax bill(s) for proration purposes. All assessments not shown on the tax rolls, or not specifically disclosed to Escrow Holder in writing are to be adjusted by the parties outside of escrow without liability to Escrow Holder.

8. AUTHORIZATION TO CORRECT OR AMEND DEED

Buyer and Seller hereby authorize Escrow Holder to correct or amend after execution, the Grant Deed(s) being executed by Seller herein to 1) conform to the vesting of any Deed of Trust (if applicable, being executed by Buyer in this transaction; 2) at the request of Buyer, change or insert the method of holding title to the subject property or 3) correct any typographical errors in the name of the grantor or grantee.

9. RIGHT OF CANCELLATION

Any party instructing Escrow Holder to cancel this escrow shall timely file a notice of cancellation in the specific office of Escrow Holder which is handling the escrow, and so state the reason for cancellation. Upon receipt of such request, Escrow Holder, shall prepare cancellation instructions for signatures of the principals and shall forward same to the principals by certified and/or regular mail. Unless a written objection to cancellation is filed in Escrow Holder's office within 10 days after date of mailing, Escrow Holder is authorized at its option to comply with the notice and demand for payment of Escrow Holder's cancellation charges and other fees or costs incurred in the escrow and set forth in the cancellation instructions. If written objection is filed or Escrow Holder does not receive mutual instructions signed by all parties, Escrow Holder is authorized to hold all money and instruments in this escrow and take no further action until otherwise directed either by mutual instructions or final order of a court of competent jurisdiction, except that Escrow Holder may collect its cancellation charges and other fees or costs incurred in the escrow unless a written objection to said fees and/or charges was received in writing by Escrow Holder within 10 days of mailing the cancellation instructions. This does not in any way limit or revoke the right of Escrow Holder to elect to file an interpleader or institute other legal action as set forth in paragraph 10 of these General Provisions.

10. ACTION IN INTERPLEADER OR OTHER COURT PROCEEDINGS

The principals hereto expressly agree that you, as Escrow Holder, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court all documents and funds held in escrow. In the event such action is filed, the principals jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefor to be rendered by the court. Upon the filing of such action, you shall thereupon be fully released and discharged from all obligations to further perform any duties or obligations otherwise imposed by the terms of this escrow.

If you are required to respond to any legal summons or proceedings or if any action of interpleader or declaratory relief is brought by you, we jointly and severally agree to pay all costs, expenses, and reasonable attorneys' fees expended or incurred by you, and a lien is hereby created in your company's favor to cover said items. We agree to save you harmless as escrow holder hereunder from all loss and expense, including reasonable attorneys' fees and court costs sustained by reason of any legal action or otherwise, which may in any way arise out of this escrow, before or after

13. ABANDONED, UNCLAIMED OR DISPUTED FUNDS

Any funds held by Escrow Holder after close of escrow, or after conflicting demands have been made to Escrow Holder regarding the funds, or any funds abandoned or remaining unclaimed shall be assessed a holding fee of \$15.00 per month, which may be withdrawn from the funds on deposit. Any such funds described in this paragraph shall be maintained pursuant to paragraph 1 of these General Provisions, unless otherwise instructed by the principals in writing. After three years, the remaining amount of any unclaimed or abandoned funds may escheat to the State of California. Nothing in this section limits or evokes the right of Escrow Holder to file an interpleader or other court action pursuant to paragraph 10 of these General Provisions.

14. INSURANCE POLICIES OTHER THAN TITLE INSURANCE

When dealing with real property and/or improvements located thereon it is advisable to obtain fire, hazard or liability insurance coverage. In all acts in this escrow relating to insurance, including adjustments, if any, Escrow Holder may assume that each policy is in force and that the necessary premium has been paid. Escrow Holder shall not be responsible for obtaining evidence of fire, hazard or liability insurance, unless Escrow Holder has received written instructions prior to close of escrow from the parties and/or their respective lenders.

15. USURY

Escrow Holder is not to be concerned with any question of usury in any loan or encumbrance involved in the processing of this escrow, including any notes or loan documents prepared by Escrow Holder pursuant to our instructions, and is hereby released of responsibility or liability therefor.

16. LIMITATION OF LIABILITY RE: CLERICAL OR MATHEMATICAL ERRORS

In the event Escrow Holder miscalculates or otherwise makes an error in determining applicable prorations, in computing, paying, and/or obtaining lender or other payoff demands or statements, or in determining the amount of required funds from either party for the close of escrow, such error or miscalculation shall not relieve any party from any liability such party would otherwise have had if no such error or miscalculation had been made. To the extent that Escrow Holder shall advance its own funds to mitigate the effects of any miscalculation or error, Escrow Holder shall have the right to immediate reimbursement of such amounts advanced, together with interest at the rate of 10% per annum on the amount advanced plus any attorneys' fees or collection fees incurred.

17. ARBITRATION

Either Escrow Holder or any party to these escrow instructions may demand arbitration pursuant to the title insurance arbitration rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between Escrow Holder and any party to the escrow arising out of or relating to these instructions, any service of Escrow Holder in connection with its performance of its escrow duties. Arbitration pursuant to these instructions and under the rules in effect on the date the demand for arbitration is made shall be binding upon the parties. Any award shall include attorneys' fees. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The law of the State of California shall be the applicable law. A copy of the rules of the American Arbitration Association may be obtained from the Escrow Holder upon request.

18. REAL ESTATE CONTRACTS

Escrow Holder is not a party to the underlying Real Estate Contract. Unless the Real Estate Contract also constitutes joint escrow instructions, which instructions have been accepted in writing by escrow holder, escrow holder accepts no responsibility to discharge conditions or contingencies of the contract, and then only to the extent required by that portion of the contract which constitutes escrow instructions.

19. FACSIMILES

In the event the parties to the transaction transmit signed documents or instructions (other than those documents which must be recorded and bear original notarized signatures) to Escrow Holder by facsimile, Escrow Holder may rely on said documents or instructions in the same manner as if they bore original signatures. Upon Escrow Holder's request, the party transmitting the facsimile document or instruction will provide Escrow Holder the original of the document or instruction which bears original signatures within 72 hours after transmission.

20. REPRESENTATION AND INDEMNIFICATION.

The parties who have affixed their signature(s) to these instructions do hereby represent that they have no knowledge of any obligations, debts, easements, covenants or agreements, other than those specific items referenced within these instructions or any amendment thereto that might result in a lien, outstanding interest, or exception to title as of the close of escrow. Said parties do hereby indemnify and agree to reimburse Escrow Holder for any loss, costs, and attorneys' fees resulting from any false representation or failure to disclose such matters referred to under this paragraph, and those which might be created hereafter but prior to said close of escrow.

ALL PARTIES SIGNING THIS AGREEMENT HEREBY ACKNOWLEDGE RECEIPT OF A COMPLETE COPY OF THE ESCROW INSTRUCTIONS AND BY OUR SIGNATURES SET FORTH BELOW, ACKNOWLEDGE THAT WE HAVE READ, UNDERSTAND AND AGREE TO BE BOUND BY THE TERMS AND CONDITIONS CONTAINED THEREIN, IN THEIR ENTIRETY. THESE INSTRUCTIONS MAY BE EXECUTED IN COUNTERPARTS, EACH OF WHICH SHALL BE DEEMED AN ORIGINAL REGARDLESS OF THE DATE OF ITS EXECUTION AND DELIVERY AND ALL SUCH COUNTERPARTS TOGETHER SHALL CONSTITUTE ONE DOCUMENT.

Date: _____

COUNTY OF EL DORADO, A political subdivision of the
State of California

By: _____
SIGNED

TO: PLACER TITLE COMPANY
1959 LAKE TAHOE BLVD.,
SOUTH LAKE TAHOE, CA 96150

Escrow No.: 203-5187-
Property Address:
1120 SHAKORI DRIVE
SOUTH LAKE TAHOE, CA 96150

NOTICE TO BUYER
(FEDERAL FIRPTA)

Upon the sale of United States real property, by a non-resident alien, foreign corporation, partnership or trust, the Foreign Investment in Real Property Tax Act of 1980 (FIRPTA), and as revised by the Tax Reform Act of 1984 (26 USCA 897 (C) (1) (A) (I) AND 26 USCA 1445) requires the transferee (Buyer) of real property to withhold Internal Revenue Service income taxes in an amount equal to ten (10%) percent of the sale price from seller's proceeds, if any of the following conditions are met:

- (1) The selling price is greater than \$300,000.00
- (2) The selling price is less than \$300,000.00 AND the purchaser does not intend to occupy the property as his residence for at least 50% of the time of the first two 12 month periods following the date of transfer.

Withholding is not required if both of the following conditions are met:

- (1) The selling price is less than \$300,000
and
- (2) The Buyer is acquiring the property as his residence, and the buyer, or other qualifying family member will occupy the property for at least 50% of the time during each of the first 12-month periods following transfer of title to the buyer.

If the purchaser who is required to withhold income tax from the seller fails to do so, the purchaser is subject to fines and penalties as provided under Internal Revenue Code Section 1445. The seller may request a waiver or a reduced withholding amount by submitting a written request for a "qualifying statement" or "withholding certificate" (Form 8288-B) to:

Director, Internal Revenue Service
Philadelphia Service Center
P.O. Box 21086
Philadelphia, PA 19114-0586

Escrow Holder will, upon written instructions from the purchaser, withhold Federal Income Tax from the seller and will deposit said tax with the Internal Revenue Service, together with IRS Forms 8288 and 8288-A. The fee charged for this service is \$25.00 payable to the escrow holder.

(CALIFORNIA FIRPTA)

In accordance with Sections 18662 and 18668 of the Revenue and Taxation Code, a transferee (Buyer) may be required to withhold an amount equal to 3 1/3 percent of the sales price in the case of a disposition of California real property interest by either:

1. A seller who is an individual or when the disbursement instructions authorize the proceeds to be sent to a financial intermediary or the seller, OR
2. A corporate seller that has no permanent place of business in California.

The buyer may become subject to penalty for failure to withhold an amount equal to the greater of 10 percent of the amount required to be withheld or five hundred dollars (\$500).

However, notwithstanding any other provision included in the California statutes referenced above, no buyer will be required to withhold any amount or be subject to penalty for failure to withhold if:

1. The sales price of the California real property conveyed does not exceed one hundred thousand dollars (\$100,000.00), OR
2. The seller executes a written certificate, under the penalty of perjury, of any of the following:
 - A. The property qualifies as the seller's (or decedent's, if being sold by the decedent's estate) principal residence within the meaning of Internal Revenue Code (IRC) Section 121; or
 - B. The seller is (or decedent, if being sold by the decedent's estate) last used the property as the seller's (decedent's) principal residence within the meaning of IRC Section 121 without regard to the two-year time period; or
 - C. The seller has a loss or zero gain for California income tax purposes on this sale; or
 - D. The property is being compulsorily or involuntarily converted and the seller intends to acquire property that is similar or related in service or use to qualify for non-recognition of gain for California income tax purposes under IRC Section 1033; or
 - E. If the transfer qualifies for non-recognition treatment under IRC Section 351 (transfer to a corporation controlled by

- L. The transfer of this property will be an installment sale that you will report as such for California tax purposes **and** the buyer has agreed to withhold on each principal payment instead of withholding the full amount at the time of transfer.

The Seller is subject to penalty for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding requirement.

The California statutes referenced above include provisions which authorize the Franchise Tax Board to grant reduced withholding and waivers from withholding on a case-by-case basis for corporations or other entities.

The undersigned hereby certifies that the following are their true and correct Social Security Number(s):

The undersigned hereby acknowledge receipt of the foregoing Federal & California FIRPTA notice.

COUNTY OF EL DORADO, A political subdivision of the State
of California

By: _____
SIGNED - Tax Id/SSN

Received: _____
PLACER TITLE COMPANY
BY: _____

PRELIMINARY CHANGE OF OWNERSHIP REPORT

FOR RECORDER'S USE ONLY

(To be completed by transferee (buyer) prior to transfer of subject property in accordance with Section 480.3 of the Revenue and Taxation Code.) A Preliminary Change of Ownership Report must be filed with each conveyance in the County Recorder's office for the county where the property is located; this particular form may be used in all 58 counties of California.

THIS REPORT IS NOT A PUBLIC DOCUMENT

SELLER/TRANSFEROR: LOUIS L. HUNGATE,
BUYER/TRANSFeree: COUNTY OF EL DORADO
ASSESSOR'S PARCEL NUMBER(S): 035-183-14-100
PROPERTY ADDRESS OR LOCATION: 1120 SHAKORI DRIVE, SOUTH LAKE TAHOE, CA
96150
MAIL TAX INFORMATION TO: COUNTY OF EL DORADO, 330 FAIR LANE, GENERAL
SERVICES DEPARTMENT, PLACERVILLE, CA 95667

NOTICE: A lien for property taxes applies to your property on January 1 of each year for the taxes owing in the following fiscal year, July 1 through June 30. One-half of these taxes is due November 1, and one-half is due February 1. The first installment becomes delinquent on December 10, and the second installment becomes delinquent on April 10. One tax bill is mailed before November 1 to the owner of record. **IF THIS TRANSFER OCCURS AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31, YOU MAY BE RESPONSIBLE FOR THE SECOND INSTALLMENT OF TAXES DUE FEBRUARY 1.**

The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the EL DORADO County Assessor. For further information on your supplemental roll obligation, please call the EL DORADO County Assessor.

PART I: TRANSFER INFORMATION

Please answer all questions.

- YES NO
- ☐ ☐ A. Is this transfer solely between husband and wife (Addition of a spouse, death of a spouse, divorce settlement, etc.)?
- ☐ ☐ B. Is this transaction only a correction of the name(s) of the person(s) holding title to the property (For example, a name change upon marriage)?
- ☐ ☐ C. Is this document recorded to create, terminate, or reconvey a lender's interest in the property?
- ☐ ☐ D. Is this transaction recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest (e.g. cosigner)?
- ☐ ☐ E. Is this document recorded to substitute a trustee under a deed of trust, mortgage, or other similar document?
- ☐ ☐ F. Did this transfer result in the creation of a joint tenancy in which the seller (transferor) remains as one of the joint tenants?
- ☐ ☐ G. Does this transfer return property to the person who created the joint tenancy (original transferor)?
- ☐ ☐ H. Is this transfer of property:
- ☐ ☐ 1. to a revocable trust that may be revoked by the transferor and is for the benefit of the ☐ transferor ☐ transferor's spouse.
- ☐ ☐ 2. to a trust that may be revoked by the Creator/Grantor who is also a joint tenant, and which names the other joint tenant(s) as beneficiaries when the Creator/Grantor dies?
- ☐ ☐ 3. to an irrevocable trust for the benefit of the ☐ Creator/Grantor and/or ☐ Grantor's spouse?
- ☐ ☐ 4. to an irrevocable trust from which the property reverts to the Creator/Grantor within 12 years?
- ☐ ☐ I. If this property is subject to a lease, is the remaining lease term 35 years or more including written options?
- ☐ ☐ J.* Is this a transfer between parent(s) and child(ren)? ☐ or from grandparent(s) to grandchild(ren)?
- ☐ ☐ K.* Is this transaction to replace a principal resident by a person 55 years of age or older?
- ☐ ☐ Within the same county? ☐ Yes ☐ No
- ☐ ☐ L.* Is this transaction to replace a principal residence by a person who is severely disabled as defined by Revenue and Taxation Code Section 69.5? Within the same county? ☐ Yes ☐ No
- ☐ ☐ M. Is this transfer solely between domestic partners currently registered with the California Secretary of State?

* If you checked yes to J, K or L, you may qualify for a property tax reassessment exclusion, which may result in lower taxes on your property. **If you do not file a claim, your property will be reassessed.**

Please provide any other information that will help the Assessor to understand the nature of the transfer.

If the conveying document constitutes an exclusion from a change in ownership as defined in section 62 of the Revenue and Taxation Code for any reason other than those listed above, set forth the specific exclusions claimed: _____

Please answer all questions in each section. If a question does not apply, indicate with "N/A." Sign and date at bottom of second page.

PART II: OTHER TRANSFER INFORMATION

- A. Date of transfer if other than recording date: _____
- B. Type of transfer. Please check appropriate box.
- ☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or Exchange ☐ Merger, Stock, or Partnership Acquisition
- ☐ Contract of Sale - Date of Contract: _____
- ☐ Inheritance - Date of Death: ☐ Other: Please explain: _____
- ☐ Creation of Lease ☐ Assignment of a Lease ☐ Termination of a Lease ☐ Sale/Leaseback
- ☐ Date lease began: _____
- ☐ Original term in years (including written options): _____
- ☐ Remaining term in years (including written options): _____
- C. Was only a partial interest in the property transferred? ☐ Yes ☐ No
- If yes, indicate the percentage transferred: _____ %

Please answer, to the best of your knowledge, all applicable questions, sign and date. If a question does not apply, indicate with "N/A."

PART III: PURCHASE PRICE AND TERMS OF SALE

- A. CASH DOWN PAYMENT OR Value of Trade or Exchange (excluding closing costs) **Amount \$115,000.00**
- B. FIRST DEED OF TRUST @ % interest for years. Pymts/Mo. = \$ (Prin. & Int. only) **Amount \$**
() FHA () Discount Pts. () Fixed Rate () New Loan
() Conventional () Variable Rate () Assumed Existing Loan Balance
() VA () Discount Pts. () All inclusive D.T. (\$ wrapped) () Bank or Savings & Loan
() Cal-Vet () Loan Carried by Seller () Finance Company
Balloon Payment () Yes () No Due date: Amount \$
- C. SECOND DEED OF TRUST @ % interest for years. Pymts/Mo. = \$ (Prin. & Int. only) **Amount \$**
() Bank or Savings & Loan () Fixed Rate () New Loan
() Loan Carried by Seller () Variable Rate () Assumed Existing Loan Balance
Balloon Payment () Yes () No Due date: () Amount \$
- D. OTHER FINANCING: Is other financing involved not covered in (b) or (c) above? () Yes (X) No **Amount \$**
Type: @ % interest for years. Pymts/Mo. = \$ (Prin. & Int. only)
☐ Bank or Savings & Loan ☐ Fix Rate () New Loan
() Loan Carried by Seller ☐ Variable Rate () Assumed Existing Loan Balance
Balloon Payment ☐ Yes ☐ No Due Date: Amount \$
- E. WAS AN IMPROVEMENT BOND ASSUMED BY THE BUYER? ☐ Yes ☐ No Outstanding Balance **Amount \$**
- F. TOTAL PURCHASE PRICE (or acquisition price, if traded or exchanged, include real estate commission if paid.)
Total Items A through E **\$115,000.00**
- G. PROPERTY PURCHASED (X) Through a Broker () Direct from Seller ☐ From a family member ☐ Other:
If purchased through a broker, provide Broker's name and phone number: ,

Please explain any special terms, seller concessions, or financing and any other information that would help the Assessor understand the purchase price and terms of sale.

PART IV: PROPERTY INFORMATION

- A. TYPE OF PROPERTY TRANSFERRED:
☐ Single Family Residence ☐ Agricultural ☐ Timeshare
☐ Multiple Family Residence (# of units:) ☐ Co-op/Owner your own ☐ Manufactured Home
☐ Commercial/Industrial ☐ Condominium ☐ Unimproved lot
☐ Other (Description:)
- B. IS THIS PROPERTY INTENDED AS YOUR PRINCIPAL RESIDENCE? ☐ Yes ☐ No
If yes, enter date of occupancy ____/____/____ or intended occupancy ____/____/____
Month Day Year Month Day Year
- C. IS PERSONAL PROPERTY INCLUDED IN PURCHASE PRICE (i.e., furniture, farm equipment, machinery, etc.)
(other than a manufactured home subject to local property tax)? ☐ Yes ☐ No
If yes, enter the value of the personal property included in the purchase price \$ (Attach itemized list of personal property.)
- D. IS A MANUFACTURED HOME INCLUDED IN PURCHASE PRICE? ☐ Yes ☐ No
If yes, how much of the purchase price is allocated to the manufactured home? \$
- E. DOES THE PROPERTY PRODUCE INCOME? ☐ Yes ☐ No If yes, is the income from:
☐ Lease/Rent ☐ Contract ☐ Mineral Rights ☐ Other - Explain:
- F. WHAT WAS THE CONDITION OF THE PROPERTY AT THE TIME OF SALE?
☐ Good ☐ Average ☐ Fair ☐ Poor

Please explain the physical condition of the property and provide any other information (such as restrictions, etc.) that would assist the Assessor in determining the value of the property.

CERTIFICATION

OWNERSHIP TYPE x Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Other <input type="checkbox"/>	<i>I certify that the foregoing is true, correct and complete to the best of my knowledge and belief. This declaration is binding on each and every co-owner and/or partner.</i>	
NAME OF NEW OWNER/CORPORATE OFFICER	TITLE	
SIGNATURE OF NEW OWNER/CORPORATE OFFICER	DATE	
NAME OF ENTITY (typed or printed)	FEDERAL EMPLOYER OR ID NUMBER	
ADDRESS (typed or printed)	TELEPHONE NUMBER	DATE

(NOTE: The Assessor may contact you for additional information.)

If a document evidencing a change of ownership is presented to the recorder for recordation without the concurrent filing of a preliminary change of ownership report, the recorder may charge an addition recording fee of twenty dollars (\$20)



Date: September 14, 2006

Escrow No.: 203-5187-

Property: 1120 SHAKORI DRIVE, SOUTH LAKE TAHOE, CA 96150

We, the undersigned parties in the above referenced transaction hereby acknowledge receipt of a copy of the following items and have read and approved a copy of the same.

- (X) Preliminary report
- (X) C, C, & R's
- () Homeowner's Association Documents (By-laws, Financial Statements, Rules & Regulations and Articles of Incorporation)

COUNTY OF EL DORADO, A political subdivision
of the State of California

By: _____
SIGNED

Placer Title Company, North Idaho Title Insurance Company, Montana Title and Escrow, National Closing Solutions, NCS Exchange Professionals, The Sterling Title Company, Wyoming Title and Escrow

PRIVACY POLICY NOTICE

Purpose Of This Notice

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of a persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of:

Placer Title Company, North Idaho Title Insurance Company, Montana Title and Escrow, National Closing Solutions, NCS Exchange Professionals and The Sterling Title Company, Wyoming Title and Escrow

We may collect nonpublic personal information about you from the following sources:

- * Information we receive from you, such as on applications or other forms.
- * Information about your transactions we secure from our files, our affiliates or others.
- * Information we receive from a consumer reporting agency.
- * Information we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- * Financial service providers such as companies engaged in banking, consumer finances, securities and insurance.
- * Non-financial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

PLACER TITLE COMPANY

Preliminary Report

Order No. 203-5187
UPDATE
Version 2

Issued By:

PLACER TITLE COMPANY
1959 LAKE TAHOE BLVD.
SOUTH LAKE TAHOE, CA 96150
Escrow Officer: Erika Brownell
Phone: 530-542-1811
Fax: 530-542-1814
Escrow Officer Email: ebrownell@placertitle.com
Email Loan Docs To: 203edocs@placertitle.com

READ AND APPROVED

Customer Reference:

Property Address: 1120 SHAKORI DRIVE , SOUTH LAKE TAHOE, CA 96150

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

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in the attached. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in the attached. Copies of the Policy forms should be read. They are available from the office which issued this report.

PLEASE READ THE EXCEPTIONS SHOWN OR REFERRED TO 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 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 20, 2006 at 7:30 a.m.

Title Officer: Kelly Riddle

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UPDATE
Version 2

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

CLTA Standard Coverage Policy

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

A FEE SIMPLE

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

LOUIS L. HUNGATE, SURVIVING JOINT TENANT

The land referred to herein is described as follows:

SEE EXHIBIT "A" ATTACHED

EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF EL DORADO, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

LOT 40 AS SHOWN ON THAT CERTAIN MAP ENTITLED "TAHOE PARADISE UNIT NO. 51" FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY ON MAY 3, 1966 IN MAP BOOK "D" AT PAGE 63.

EXCEPTING THEREFROM ALL OIL, GAS AND HYDROCARBON SUBSTANCES AND ALL MINERALS OF WHATEVER KIND OR NATURE, TOGETHER WITH THE RIGHT TO RECOVER THE SAME, PROVIDED HOWEVER, THAT SUCH RECOVERY SHALL ONLY BE BY MEANS OF SLANT DRILLING OR BY MINE SHAFT MINING BELOW A DEPTH OF 100 FEET FROM THE SURFACE AS SET FORTH IN THAT CERTAIN DEED FROM TAHOE PARADISE, INC., A CALIFORNIA CORPORATION, RECORDED OCTOBER 17, 1975, IN BOOK 1354, PAGE 575 OFFICIAL RECORDS.

ASSESSORS PARCEL NO.: 035-183-14-100

EXCEPTIONS

1. TAXES, SPECIAL AND GENERAL, ASSESSMENT DISTRICTS AND SERVICE AREAS FOR THE FISCAL YEAR 2006-2007, A LIEN, NOT YET DUE OR PAYABLE.
2. 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.
3. ANY TAXES OR ASSESSMENTS LEVIED BY:
 - A. SOUTH TAHOE PUBLIC UTILITY DISTRICT
4. A SPECIAL ASSESSMENT FOR THE SOUTH LAKE TAHOE RECREATION COMMUNITY FACILITIES DISTRICT NO. 2000-1, IN ACCORDANCE WITH THE "MELLO ROOS COMMUNITY FACILITIES ACT OF 1982". SAID ASSESSMENTS ARE/OR WILL BE COLLECTED WITH THE ANNUAL TAX BILL.
5. DEDICATIONS AS SET FORTH AND SHOWN ON THE OFFICIAL MAP OF SAID SUBDIVISION AS FOLLOWS:
 - A. PUBLIC UTILITIES; AFFECTS THE FRONT 10 FEET
 - B. GUY WIRES AND ANCHORS OVER, UNDER AND ON THOSE STRIPS OF LAND LYING 2 FEET ON EITHER SIDE OF ALL SIDE LOT LINES AND EXTENDING 25 FEET BACK FROM THE FRONT AND/OR REAR PROPERTY LINES
 - C. DRAINAGE EASEMENT; AFFECTS THE SOUTHERLY 7.5 FEET AS SHOWN ON THE MAP
6. TERMS, PROVISIONS, COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS, PROVIDED IN THE COVENANTS, CONDITIONS AND RESTRICTIONS, BUT OMITTING ANY COVENANT, CONDITION OR RESTRICTION, IF ANY, BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN UNLESS AND ONLY TO THE EXTENT THAT THE COVENANT, CONDITION OR RESTRICTION (A) IS EXEMPT UNDER TITLE 42 OF THE UNITED STATES CODE, OR (B) RELATES TO HANDICAP, BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS, IN DOCUMENT RECORDED MAY 10, 1966, IN BOOK 787 PAGE 115, OFFICIAL RECORDS.

NOTE: SECTION 12956.1 OF THE GOVERNMENT CODE PROVIDES THE FOLLOWING: "IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, SOURCE OF INCOME AS DEFINED IN SUBDIVISION (P) OF SECTION 12955, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID, AND MAY BE REMOVED PURSUANT TO SECTION 12956.2 OF THE GOVERNMENT CODE. LAWFUL RESTRICTIONS UNDER STATE AND FEDERAL LAW ON THE AGE OF OCCUPANTS IN SENIOR HOUSING OR HOUSING

EXCEPTIONS
(Continued)

FOR OLDER PERSONS SHALL NOT BE CONSTRUED AS RESTRICTIONS BASED ON FAMILIAL STATUS."

CONTAINS: MORTGAGEE PROTECTION CLAUSE.

7. THE RIGHT OF TAHOE PARADISE WATER AND GAS CO., A CORPORATION TO RECOVER AND REMOVE ALL SUBSURFACE WATER, AS DISCLOSED BY DOCUMENT RECORDED JUNE 01, 1966, IN BOOK 790 PAGE 448, OFFICIAL RECORDS.
8. DEED OF TRUST TO SECURE AN INDEBTEDNESS OF \$9,000.00, DATED AUGUST 08, 1975, RECORDED OCTOBER 17, 1975, BOOK 1354 AT PAGE 576, OFFICIAL RECORDS.

TRUSTOR: LOUIS L HUNGATE AND MARGARET C. HUNGATE , HUSBAND AND WIFE, AS JOINT TENANTS

TRUSTEE: INTER-COUNTY TITLE CO , A CALIFORNIA CORPORATION

BENEFICIARY: CAL-PACIFIC RESOURCES, INC , A CALIFORNIA CORPORATION

LOAN NO.: NA

AS TO A 96.932% INTEREST

THE BENEFICIAL INTEREST UNDER SAID DEED OF TRUST WAS ASSIGNED OF RECORD TO MARK ALAN CAWELTI, A SINGLE MAN, BY ASSIGNMENT RECORDED NOVEMBER 29, 1982, BOOK 2125 PAGE 202, OFFICIAL RECORDS.

AS TO A 3.068% INTEREST

THE BENEFICIAL INTEREST UNDER SAID DEED OF TRUST WAS ASSIGNED OF RECORD TO FRANK J VALENTE AND EVELYN VALENTE , HUSBAND AND WIFE, AS JOINT TENANTS, BY ASSIGNMENT RECORDED NOVEMBER 29, 1982, BOOK 2125 PAGE 203, OFFICIAL RECORDS.

9. A LIEN FOR THE AMOUNTS DUE THE TAX COLLECTOR OF THE COUNTY OF EL DORADO EVIDENCED BY A CERTIFICATE FILED FOR UNSECURED PROPERTY TAXES, AGAINST LOUIS L HUNGATE, CERTIFICATE NO. 780104, IN THE AMOUNT OF \$14.02, RECORDED AUGUST 01, 1997, BOOK 4965 PAGE 593, OFFICIAL RECORDS.
10. A LIEN FOR THE AMOUNTS DUE THE TAX COLLECTOR OF THE COUNTY OF EL DORADO EVIDENCED BY A CERTIFICATE FILED FOR UNSECURED PROPERTY TAXES, AGAINST LOUIS L HUNGATE, CERTIFICATE NO. 780105, IN THE AMOUNT OF \$14.02, RECORDED AUGUST 01, 1997, BOOK 4965 PAGE 594, OFFICIAL RECORDS.
11. A NOTICE OF PENDING ACTION: CAUSE OF ACTION QUIET TITLE, CASE NO. SC20060024, SUPERIOR COURT, EL DORADO COUNTY, CALIFORNIA, LOUIS L. HUNGATE, PLAINTIFF, VS MARK ALAN CAWELTI AND FRANK J. VALENTE AND EVELYN VALENTE HUSBAND AND WIFE AND INTER COUNTY TITLE COMPANY, DEFENDANT, RECORDED JUNE 15, 2006, INSTRUMENT NO. 2006-40125, OFFICIAL

EXCEPTIONS
(Continued)

RECORDS.

NOTE: (FOR PRO-RATION PURPOSES ONLY)

TAXES, SPECIAL AND GENERAL, ASSESSMENT DISTRICTS AND SERVICE AREAS, FOR
THE FISCAL YEAR 2005-2006:

1ST INSTALLMENT: \$75.31 PAID

2ND INSTALLMENT: \$75.31 PAID

ASSESSED VALUATIONS:

LAND: \$10,532.00

IMPROVEMENTS: \$0.00

EXEMPTION: \$0.00

PARCEL NO.: 035-183-14-100 CODE AREA: 075-041

*** NOTE: THIS TRANSACTION IS NOT ELIGIBLE FOR THE SHORT TERM RATE.

*** CHAIN OF TITLE REPORT:

ACCORDING TO THE PUBLIC RECORDS, NO DEEDS CONVEYING THE PROPERTY
DESCRIBED IN THIS REPORT HAVE BEEN RECORDED WITHIN A PERIOD OF 2 YEARS
PRIOR TO THE DATE OF THIS REPORT, EXCEPT AS SHOWN HEREIN:

NONE

*** LENDER'S SUPPLEMENTAL ADDRESS REPORT:

THE ABOVE NUMBERED REPORT IS HEREBY MODIFIED AND/OR SUPPLEMENTED TO
REFLECT THE FOLLOWING ADDITIONAL ITEMS RELATING TO THE ISSUANCE OF AN
AMERICAN LAND TITLE ASSOCIATION LOAN FORM POLICY.

PLACER TITLE COMPANY STATES THAT THE HEREIN DESCRIBED PROPERTY IS VACANT
AND THAT THE PROPERTY ADDRESS IS:

1120 SHAKORI DRIVE, SOUTH LAKE TAHOE, CA 96150

*** NOTICE REGARDING FUNDS DEPOSITED IN ESCROW:

CALIFORNIA INSURANCE CODE SECTION 12413.1 REGULATES THE DISBURSEMENT OF
ESCROW AND SUB-ESCROW FUNDS BY TITLE COMPANIES. THE LAW REQUIRES THAT
FUNDS BE DEPOSITED IN THE TITLE COMPANY ESCROW ACCOUNT AND AVAILABLE
FOR WITHDRAWAL PRIOR TO DISBURSEMENT. FUNDS DEPOSITED WITH THE COMPANY
BY WIRE TRANSFER MAY BE DISBURSED UPON RECEIPT. FUNDS DEPOSITED WITH
THE COMPANY VIA CASHIER'S OR TELLER'S CHECKS DRAWN ON A CALIFORNIA
BASED BANK MAY BE DISBURSED THE NEXT BUSINESS DAY AFTER THE DAY OF
DEPOSIT. IF FUNDS ARE DEPOSITED WITH THE COMPANY BY OTHER METHODS,

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EXCEPTIONS
(Continued)

RECORDING AND/OR DISBURSEMENT MAY BE DELAYED.

*** CANCELLATION NOTE:

THIS REPORT IS SUBJECT TO A MINIMUM CANCELLATION CHARGE OF \$400.00 AS
REQUIRED BY SECTION 12404 OF INSURANCE CODE AND RULE 2 OF BULLETIN NO.
NS-35E.

LENDER'S NOTE:

IF A 1970 ALTA LENDER'S POLICY FORM HAS BEEN REQUESTED, THE POLICY, WHEN AND IF APPROVED FOR ISSUANCE, WILL EITHER BE ENDORSED TO ADD THE FOLLOWING LANGUAGE OR AN ENCUMBRANCE WILL BE ADDED TO SCHEDULE B, PART I AS FOLLOWS:

Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

- (a) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
- (b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
- (c) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

APPROVAL FOR THE ISSUANCE OF THE 1970 ALTA LENDER'S POLICY FORM MUST BE REQUESTED AND APPROVED PRIOR TO CLOSE OF ESCROW. ALL OTHER FORMS OF POLICIES THAT ARE AUTHORIZED TO BE ISSUED ARE THE 1992 POLICIES ONLY.

BUYER'S NOTE:

If an ALTA Residential Owner's Policy is requested and if the property described herein is determined to be eligible for this policy, the following Exceptions From Coverage will appear in the policy:

1. Taxes or assessments which are not shown as liens by the public records or by the records of any taxing authority.
2. (a) Water rights, claims or title to water; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) unpatented mining claims; whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
3. Any rights, interests or claims of parties in possession of the land which are not shown by the public records.
4. Any easements or liens not shown by the public records. This exception does not limit the lien coverage in Item 8 of the Covered Title Risks.
5. Any facts about the land which a correct survey would disclose and which are not shown by the public records. This exception does not limit the forced removal coverage in Item 12 of the Covered Title Risks.

**Commonwealth Land Title Insurance Company
Fidelity National Title Insurance Company
Lawyers Title Insurance Corporation
Montana Title and Escrow Company
National Closing solutions
NCS Exchange Professionals
North Idaho Title Insurance Company
Old Republic National Title Insurance Company**

**Placer Title Company
Stewart Title Guaranty Company
The Sterling Title Company
Ticor Title Insurance Company
Transnation Title Insurance Company
United General Title Insurance Company
Westcor Land Title Insurance Company
Wyoming Title and Escrow Company**

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**Commonwealth Land Title Insurance Company
Fidelity National Title Insurance Company
Lawyers Title Insurance Corporation
Montana Title and Escrow Company
National Closing solutions
NCS Exchange Professionals
North Idaho Title Insurance Company
Old Republic National Title Insurance Company**

**Placer Title Company
Stewart Title Guaranty Company
The Sterling Title Company
Ticor Title Insurance Company
Transnation Title Insurance Company
United General Title Insurance Company
Westcor Land Title Insurance Company
Wyoming Title and Escrow Company**

We may collect nonpublic personal information about you from the following sources:

- * Information we receive from you, such as on applications or other forms.
- * Information about your transactions we secure from our files, our affiliates or others.
- * Information we receive from a consumer reporting agency.
- * Information we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

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We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**NOTICE
FEDERAL FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA)**

Upon the sale of United States real property, by a non-resident alien, foreign corporation, partnership or trust, the Foreign Investment in Real Property Tax Act of 1980 (FIRPTA), and as revised by the Tax Reform Act of 1984 (26 USCA 897 (C)(1)(A)(1) and 26 USCA 1445) requires the transferee (Buyer) of real property to withhold Internal Revenue Service income taxes in an amount equal to ten (10%) percent of the sale price from seller's proceeds, if ANY of the following conditions are met:

- (1) The selling price is greater than \$300,000.00
- (2) The selling price is less than \$300,000 AND the purchaser does not intend to occupy the property as his residence for at least 50% of the time of the first two 12 month periods following the date of transfer.

Withholding is not required if both of the following conditions are met:

- (1) The selling price is less than \$300,000
and
- (2) The Buyer is acquiring the property as his residence, and the buyer or other qualifying family member will occupy the property for at least 50% of the time during each of the first 12-month periods following transfer of title to the buyer.

If the purchaser who is required to withhold income tax from the seller fails to do so, the purchaser is subject to fines and penalties as provided under Internal Revenue Code Section 1445. The seller may request a waiver or a reduced withholding amount by submitting a written request for a "qualifying statement" or "withholding certificate" (Form 8288-B) to:

Director, Internal Revenue Service
Philadelphia Service Center
P.O. Box 21086
Philadelphia, PA 19114-0586

Escrow Holder will, upon written instructions from the purchaser, withhold Federal Income Tax from the seller and will deposit said tax with the Internal Revenue Service, together with IRS Forms 8288 and 8288-A. The fee charged for this service is \$25.00 payable to the escrow holder.

CALIFORNIA WITHHOLDING

In accordance with Sections 18662 and 18668 of the Revenue and Taxation Code, a transferee (Buyer) may be required to withhold an amount equal to 3 1/3 percent of the sales price in the case of a disposition of California real property interest by either:

1. A seller who is an individual or when the disbursement instructions authorize the proceeds to be sent to a financial intermediary or the seller, OR
2. A corporate seller that has no permanent place of business in California.

The buyer may become subject to penalty for failure to withhold an amount equal to the greater of 10 percent of the amount required to be withheld or five hundred dollars (\$500).

However, notwithstanding any other provision included in the California statutes referenced above, no buyer will be required to withhold any amount or be subject to penalty for failure to withhold if:

1. The sales price of the California real property conveyed does not exceed one hundred thousand dollars (\$100,000.00), OR
2. The seller executes a written certificate, under the penalty of perjury, of any of the following:
 - A. The property qualifies as the seller's (or decedent's, if being sold by the decedent's estate) principal residence within the meaning of Internal Revenue Code (IRC) Section 121; or
 - B. The seller is (or decedent, if being sold by the decedent's estate) last used the property as the seller's (decedent's) principal residence within the meaning of IRC Section 121 without regard to the two-year time period; or
 - C. The seller has a loss or zero gain for California income tax purposes on this sale; or
 - D. The property is being compulsorily or involuntarily converted and the seller intends to acquire property that is similar or related in service or use to qualify for non-recognition of gain for California income tax purposes under IRC Section 1033; or
 - E. If the transfer qualifies for non-recognition treatment under IRC Section 351 (transfer to a corporation controlled by the transferor) or IRC Section 721 (contribution to a partnership in exchange for a partnership interest); or
 - F. The seller is a corporation (or an LLC classified as a corporation for federal and California income tax purposes that is either qualified through the California Secretary of State or has a permanent place of Business in California; or
 - G. The seller is a partnership (or an LLC that is not a disregarded single member LLC and is classified as a partnership for federal and California income tax purposes) with recorded title to the property in the name of the partnership of LLC; or
 - H. The seller is a tax-exempt entity under either California or federal law; or
 - I. The seller is an insurance company, individual retirement account, qualified pension/profit sharing plan, or charitable remainder trust; or
 - J. The transfer qualifies as a simultaneous like-kind exchange within the meaning of IRC Section 1031; or
 - K. The transfer qualifies as a deferred like-kind exchange within the meaning of IRC Section 1031; or
 - L. The transfer of this property will be an installment sale that you will report as such for California tax purposes and the buyer has agreed to withhold on each principal payment instead of withholding the full amount at the time of transfer.

The Seller is subject to penalty for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding requirement.

The California statutes referenced above include provisions which authorize the Franchise Tax Board to grant reduced withholding and waivers from withholding on a case-by-case basis for corporations or other entities.

**CLTA PRELIMINARY REPORT FORM
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS**

**1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) 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; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental policy power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
(a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
(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 paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditor's rights laws.

**EXCEPTIONS FROM COVERAGE
SCHEDULE B, PART I**

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

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, interest or claims which are not shown by the public records, but which could be ascertained by an inspection of the land or which may be asserted by 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.

2. CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE
EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorney's fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning: (a) building; (b) zoning; (c) land use; (d) improvements on Land; (e) Land division; (f) environmental protection
This exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date. This exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.
2. The failure of your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless: (a) notice of exercising the right appears in the Public Records at the Policy Date; or (b) the taking happened before the Policy Date and is binding on you if you bought the land without knowing of the taking.
4. Risks: (a) that are created, allowed, or agreed to by you, whether or not they appear in the Public Records; (b) that are known to you at the Policy Date, but not to us, unless they appear in the Public Records at the Policy Date; (c) that result in no loss to you; or (d) that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8d, 22, 23, 24 or 25.
5. Failure to pay value for your Title.
6. Lack of a right: (a) to any Land outside the area specifically described and referred to in Paragraph 3 of Schedule A; and (b) in streets, alleys, or waterways that touch the Land. This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

* For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 14:	1 % of Policy Amount or \$2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 15:	1 % of Policy Amount or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 16:	1 % of Policy Amount or \$5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 18:	1 % of Policy Amount or \$2,500.00 (whichever is less)	\$ 5,000.00

**3. AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)
EXCLUSIONS**

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorney's fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 *Land use *Land division *Improvements on the land *Environmental protection
This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.
This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
 * a notice of exercising the right appears in the public records on the policy date
 * the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
 * that are created, allowed, or agreed to by you
 * that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
 * that result in no loss to you
 * that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
 * to any land outside the area specifically described and referred to in Item 3 of Schedule A; or
 * in streets, alleys, or waterways that touch your land
This exclusion does not limit the access coverage in Item 5 of Covered Risks.

**4. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)
WITH ALTA ENDORSEMENT - FORM 1 COVERAGE
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) 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; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
(a) created, suffered, assumed or agreed to by the insured claimant;
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
(c) resulting in no loss or damage to the insured claimant;

(d) attaching or created subsequent to Date of Policy (except to the extent that this policy insured the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditor's rights laws, that is based on:
 - (a) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine or equitable subordination; or
 - (c) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure: (i) to timely record the instrument of transfer; (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage Policy will also include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

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, interest or claims which are now shown by the public records, but which could be ascertained by an inspection of the land or which may be asserted by 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 factors 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.

5. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorney's fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) 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; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (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 paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditor's rights laws, that is based on:
 - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure: (i) to timely record the instrument of transfer; or (ii) of such recordation to impart notice to a purchaser for value or judgment or lien creditor.

The above policy forms may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage Policy will also include the following General Exceptions:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) which arise by reason of:

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, interest or claims which are not shown by the public records, but which could be ascertained by an inspection of the land or which may be asserted by 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. ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10-13-01) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use or enjoyment of the Land; (ii)

the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the public records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14 and 16 of this policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the public records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14 and 16 of this policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the public records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24 25 and 26); or
 - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
5. Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:
 - (a) The time of the advance; or
 - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the public records at Date of Policy.

**NOTICE
DEPOSIT OF FUNDS AND DISBURSEMENT DISCLOSURE**

Unless you elect otherwise (as described below), all funds received by PLACER TITLE COMPANY (the "Company") in escrow will be deposited with other escrow funds in one or more non-interest bearing escrow accounts of the Company in a financial institution selected by the Company. The depositor acknowledges that the deposit of funds in a non-interest bearing demand account by Escrow Holder may result in said company receiving a range of economic benefits from the bank in the form of services, credits, considerations, or other things of value. The depositor hereby specifically waives any claim to such economic benefits payable to Escrow Holder resulting from non-interest bearing deposits. Unless you direct the Company to open an interest-bearing account (as described below), the Company shall have no obligation to account to you in any manner for the value of, or to compensate any party for, any benefit received by the Company and/or its affiliated company. Any such benefits shall be deemed additional compensation of the Company for its services in connection with the escrow.

If you elect, funds deposited by you prior to the close of escrow may be placed in an individual interest-bearing account arrangement that the Company has established with one of its financial institutions. You do not have an opportunity to earn interest on the funds deposited by a lender. If you elect to earn interest through this special account arrangement, the Company will charge you an additional fee of \$30.00 for the establishment and maintenance of the account. This fee compensates the Company for the costs associated with opening and managing the interest-bearing account, preparing correspondence/documentation, transferring funds, maintaining appropriate records for audit/reconciliation purposes, and filing any required tax withholding statements. It is important that you consider this cost in your decision since the cost may exceed the interest you earn.

Funds deposited in an interest-bearing account will be withdrawn from such account and deposited in the Company's general escrow trust account approximately two business days prior to the scheduled close of escrow or other disbursement of such funds. **If you wish to have your funds placed in an interest bearing account (with an accompanying charge of \$30.00), please mark below, sign and return this form to your escrow officer.** In addition, you must complete and return IRS Form W-9. If you do not want to have your funds deposited in an interest-bearing account, you do not need to sign or return this notice and the Company will understand you to have elected to have your funds deposited in a non-interest bearing account. If you change your mind and later wish to have your funds placed in an interest-bearing account, please contact your escrow officer.

The funds you deposit are insured only to the limit provided by the Federal Deposit Insurance Corporation.

☐ PLEASE CONSIDER THIS MY/OUR INSTRUCTION TO PLACE MY/OUR DEPOSIT(S) IN A SEGREGATED, INTEREST-BEARING ACCOUNT. I/WE UNDERSTAND THAT AN ADDITIONAL FEE OF \$30.00 WILL BE CHARGED FOR THIS SERVICE. I/WE HAVE READ AND UNDERSTAND ALL OF THE ABOVE INFORMATION.

Signature

Social Security Number

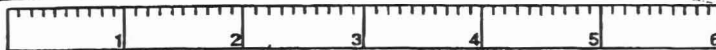
Date

Signature

Social Security Number

Date

1-800-345-7334



SCALE IN 1/10 OF AN INCH

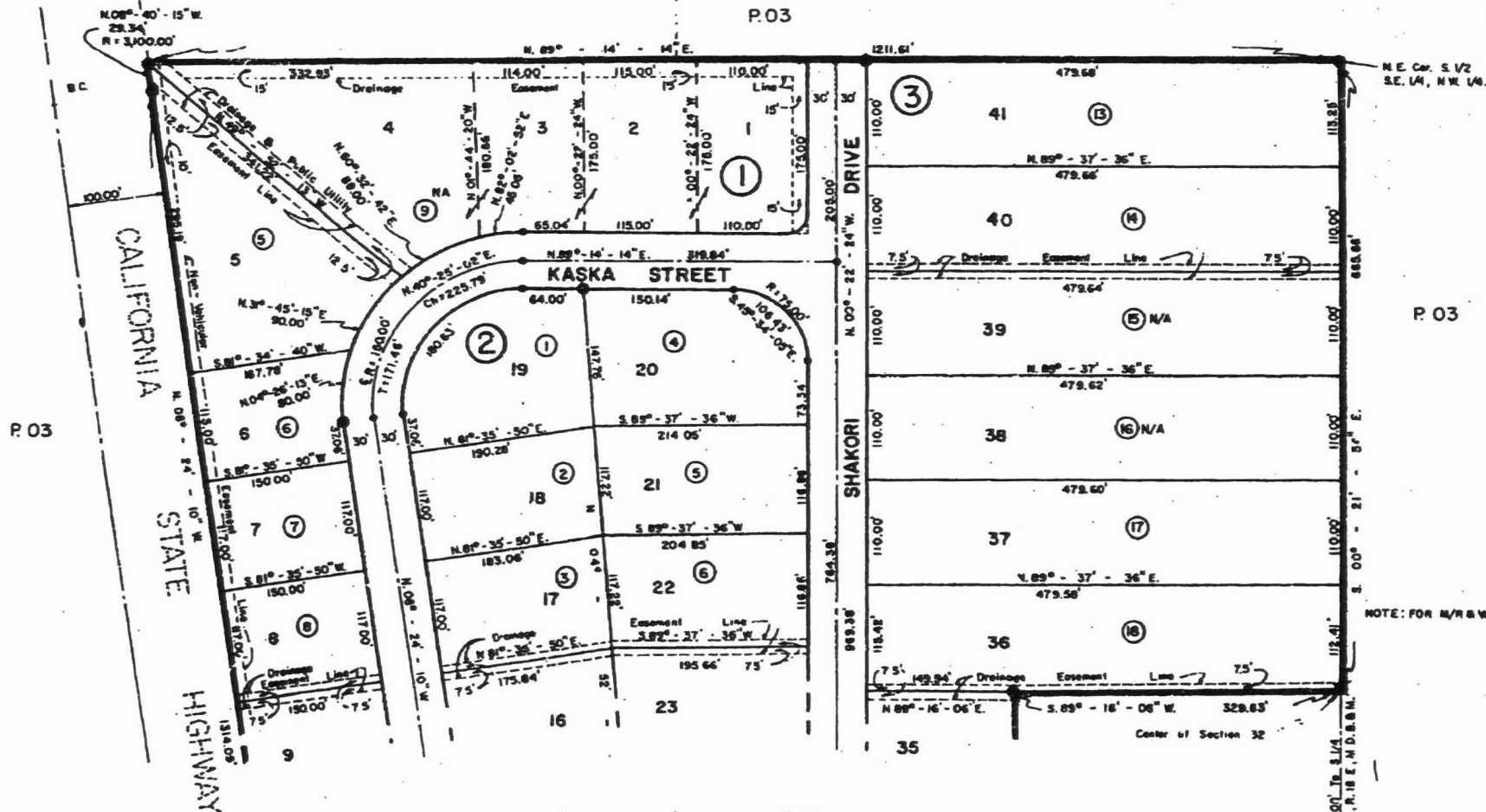
TAHOE PARADISE UNIT N° 51
POR SEC. 32 T.12N.R.18E.M.D.M.

35.18

P.03



1" = 100'

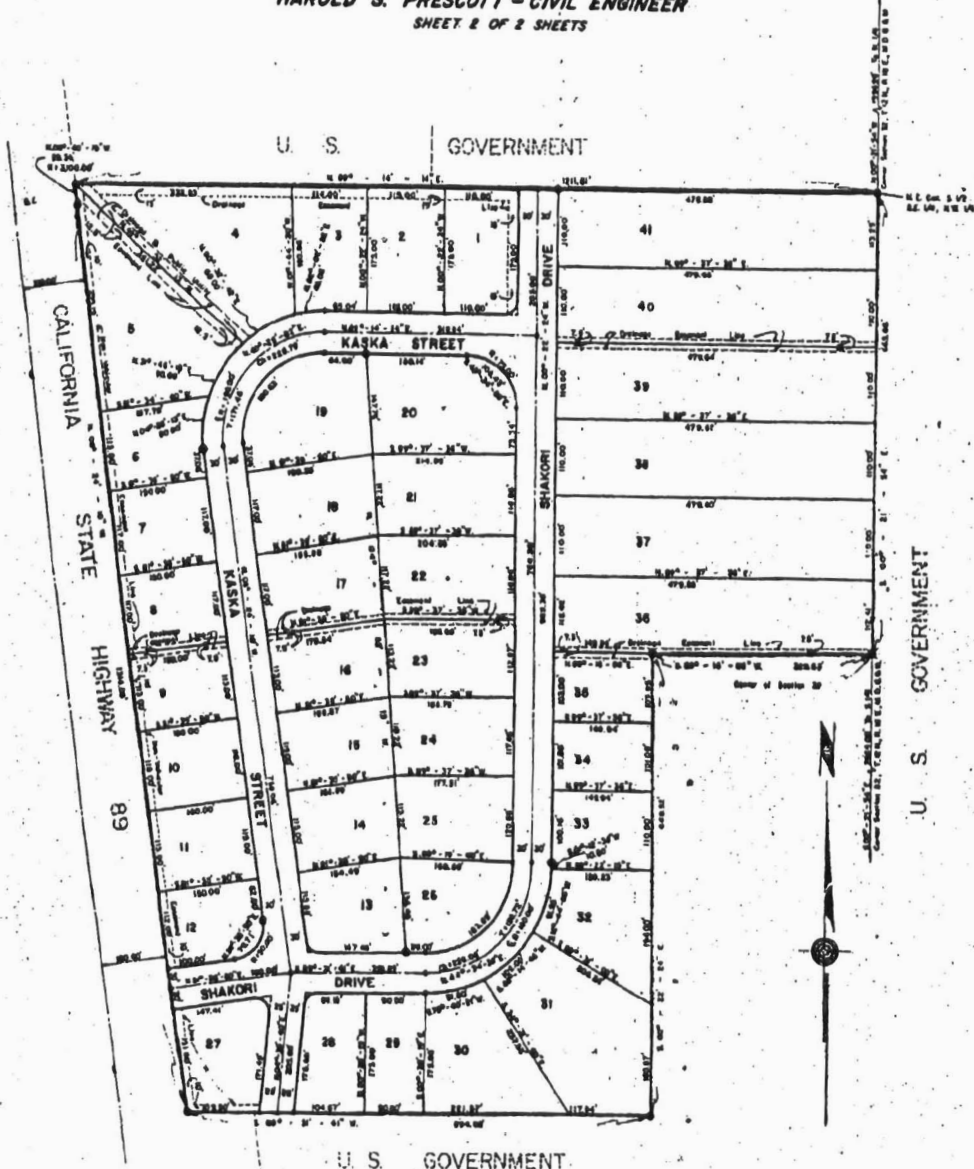


NOTE: FOR M/R & W/R SEE P. 20

Assessor's Map
County of El Dorado, Calif.

P.19

**MAP OF
TAHOE PARADISE UNIT No 51**
COMPRISING A PORTION OF SECTION 32, T. 12 N., R. 18 E., N. D. B. & M.
COUNTY OF EL DORADO, CALIF. OCTOBER, 1965 SCALE: 1 IN. = 100 FT.
HAROLD S. PRESCOTT - CIVIL ENGINEER
SHEET 2 OF 2 SHEETS



NOTES:

The location of this survey is from solar observation and is indicated by a set of a Record of Survey, of portions of Sections 32 & 33, T. 12 N., R. 18 E., N. D. B. & M. filed in the office of the Recorder of El Dorado County in Book _____ of Record of Survey, at Page _____.
All lot corners and curve points have been capped with plates of least 3/4 inch diameter stamped "H. S. E. 7400".
All vertical corners have a 20 inch radius curve at the property line unless otherwise shown.
All distances are curved lines are chord measurements.
Distances along the boundaries of survey lots are to the intersection of street lines produced, unless otherwise shown.

LEGEND

Drainage Easement, Public Utility
Easement & Easement
Easement Line
2 inch capped iron pipe monument
stamped "H. S. E. 7400"
5/8" dia drill hole in boulder

WHEN RECORDED RETURN TO:

County Of El Dorado
Board of Supervisors
330 Fair Lane
Placerville, CA 95667

CERTIFICATE OF ACCEPTANCE

THIS IS TO CERTIFY that the interest in real property known as **Assessor's Parcel Numbers 035-183-14-100**, consisting of 1.21 acres, conveyed by that certain Grant Deed dated _____, from **Louis Hungate**, to the **COUNTY OF EL DORADO**, a political subdivision of the State of California, is hereby accepted by order of the Board of Supervisors on Tuesday, **September 26, 2006**, and the Grantee hereby consents to the recordation thereof by its duly authorized officer.

Dated this **26th** day of **September** , 2006.

COUNTY OF EL DORADO

By: _____
Chairman
Board of Supervisors

ATTEST:

Cindy Keck
Clerk of the Board of Supervisors

By: _____

Dated: _____

ORIGINAL

PURCHASE AND SALE AGREEMENT

This is a **PURCHASE AND SALE AGREEMENT** ("Agreement") by and between **LOUIS HUNGATE** ("Seller") and the **COUNTY OF EL DORADO**, a political subdivision of the State of California ("County" or "Buyer").

RECITALS

WHEREAS, Seller, as the surviving joint tenant, owns all of that certain real property situated in the City of South Lake Tahoe, County of El Dorado, California, commonly known as 1120 Shakori Drive (APN 035-183-14-100) and more particularly described in Exhibit "A" hereto, together with any such subsurface water and mineral rights that Seller may possess.

WHEREAS, the County has a need to expand its Animal Control facility in the South Lake Tahoe basin; and

WHEREAS, the County has conducted feasibility studies and has identified certain vacant real property owned by Seller in the City of South Lake Tahoe, which property is directly adjacent to the existing Animal Control facility, as a suitable location for expansion of the Animal Control facility; and

WHEREAS, the parties desire to move forward with this purchase and sale to facilitate the County's desire to expand its Animal Control facility to best serve the needs of the South Lake Tahoe area and the citizens of the County.

NOW, THEREFORE, in consideration of payment of compensation and the performance of the mutual promises and agreements herein, and for other valuable consideration, the parties hereto agree as follows:

ARTICLE 1 - PREMISES

1.1 Purchase and Sale. Seller hereby agrees to sell to County and County hereby agrees to purchase from Seller that certain real property situated in the City of South Lake Tahoe, County of El Dorado, State of California, described in Exhibit "A" attached and made a part hereof, together with any such subsurface water and mineral rights that Seller may possess. Said real property is hereinafter referred to as the "Real Property".

ARTICLE 2 - PURCHASE PRICE

2.1 Purchase Price. The total purchase price for the Real Property shall be One Hundred Fifteen Thousand Dollars (\$115,000.00) (hereinafter, the "Purchase Price"). County shall pay the

Purchase Price in cash or other immediately available funds at Close of Escrow (as that term is defined herein), plus the County's share of costs, fees, and expenses to be borne by County pursuant to this Agreement. Seller and County hereby acknowledge that the Purchase Price represents the fair market value of the Real Property.

ARTICLE 3 - TITLE, ESCROW PROVISIONS

3.1 Escrow. The purchase and sale of the Real Property shall be consummated by means of Escrow No. 2035187 which has been opened at Placer Title Company (hereinafter referred to as "Escrow Holder"). This Agreement shall, to the extent possible, act as escrow instructions. The parties shall execute all further escrow instructions required by Escrow Holder. All further escrow instructions, however, shall be consistent with this Agreement, which shall control. Seller and County agree to deposit in escrow all instruments, documents, and writings identified or reasonably required to close escrow. The "Close of Escrow" is defined to be the recordation of the Grant Deed from Seller to County for the Real Property which shall occur within one year of the effective date of this Agreement or such other date as the parties shall mutually agree in writing.

3.2 Escrow and Other Fees. Closing costs shall be shared equally by Seller and County.

3.3 Conditions.

3.3.1 Title. It shall be a condition of Closing, for County's benefit, that Seller shall cause fee simple title to the Real Property to be conveyed to County by Grant Deed subject only to the exceptions noted in Paragraph 3.3.2 below. Escrow Holder must be ready and able to cause its underwriter to issue its CLTA standard coverage, owner's policy of title insurance insuring title in County with liability in the amount of the Purchase Price, with such endorsements as County may reasonably require, and which Escrow Holder must have agreed during the Escrow Period to cause to be issued at the Close of Escrow.

3.3.2 Approval of Encumbrances. With respect to existing encumbrances, Buyer has ordered from Escrow Holder, a preliminary title report and legible copies of all documents referred to therein covering the Purchase Property dated April 19, 2006 (collectively the "Preliminary Report"). Title to the Real Property shall vest in the County, subject only to exceptions 5, 6, and 7 of the Preliminary Title report. Seller agrees that all other exceptions to title will be removed prior to Close of Escrow.

3.4 Condemnation. Seller and County acknowledge that the Real Property is encumbered by a Deed of Trust, dated August 8, 1975, in favor of Mark Alan Cawelti, as successor in interest to Cal-Pacific Resources, Inc., a California corporation. Seller has agreed to remove that exception to title prior to the Close of Escrow. However, should Seller fail to remove that exception to title within one year from the effective date of this Agreement, County reserves its right to utilize

its power of eminent domain to condemn the Real Property and any claimed interests therein. In such an event, Seller hereby stipulates that the fair market value of the Real Property is that amount stated in Article 2 above and that Seller will contest neither the County's right to take the Real Property nor the fair market value thereof. Nothing stated herein shall obligate the County to use its power of eminent domain to condemn the Real Property.

3.5 Items to be Delivered at Close of Escrow. Seller shall execute and deliver to Escrow Holder the fully executed Grant Deed for the Real Property not less than two (2) days prior to Close of Escrow.

ARTICLE 4 - TAXES AND OTHER ASSESSMENTS

4.1 Taxes. Seller authorizes Escrow Holder to deduct and pay from the Purchase Price any amount necessary to satisfy any delinquent taxes due, together with penalties and interest thereon which shall be cleared from the Real Property prior to Close of Escrow. All real property taxes shall be prorated in accordance with Revenue and Taxation Code section 4986 as of the Close of Escrow.

4.2 Assessments. It is agreed that Seller shall be responsible for payment of any assessments, bonds, charges or liens imposed upon the Real Property by any federal, state or local government agency, or utility. Seller agrees to indemnify and hold County harmless from any claim arising therefrom. Seller authorizes Escrow Holder to deduct and pay from the Purchase Price any amount necessary to satisfy any delinquent assessments, bonds charges, or liens, together with penalties and interest thereon, which shall be cleared from the title to the property prior to Close of Escrow.

ARTICLE 5 - RIGHT OF ENTRY

5.1 Property Inspection. County shall have the right to inspect the Real Property pursuant this section. As part of this property inspection, County may, but is not required to, obtain and review such tests and inspections of the Real Property as County shall deem reasonably necessary in order to determine the condition of the Real Property and suitability of the Real Property to County's intended uses. If, on the basis of the foregoing review, County determines, in its sole discretion, that the Real Property is not acceptable, then, prior to the Close of Escrow, County may terminate this Agreement, without penalty, by delivering written notice of such termination to Seller.

5.2 Possession. It is agreed and confirmed by the parties hereto that notwithstanding other provisions in this Agreement, the right to possession and use of the Real Property by the County or County's contractors or authorized agents, for the purpose of performing activities related to and incidental to the construction of improvements to the Real Property (the Animal Control Expansion Project), inclusive of the right to remove and dispose of any existing improvements, shall commence upon the effective date of this Agreement. The amount of the just compensation shown in Article 2 herein includes, but is not limited to, full payment for such possession and use, including damages, if

any, from said date. Should the County exercise this right to possession, it waives its right to terminate this Agreement pursuant to Paragraph 5.1 herein.

ARTICLE 6 - WARRANTIES

6.1 Warranties. Seller warrants as follows:

A. Seller owns the Real Property, free and clear of all liens, licenses, claims, encumbrances, easements, and encroachments on the Real Property from adjacent properties, encroachments by improvements on the Real Property onto adjacent properties, and rights of way of any nature, not disclosed by the public record.

B. With the exception of Seller's action to quiet title to the Real Property, Seller has no knowledge of any pending litigation involving the Real Property.

C. Seller has no knowledge of any violations of, or notices concerning defects or noncompliance with, any applicable code statute, regulation, or judicial order pertaining to the Real Property.

D. Seller has no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the Real Property owned or claimed by anyone other than Seller. Seller has no knowledge that anyone will, at the Close of Escrow, have any right to possession of the Real Property, except as disclosed by this Agreement or otherwise in writing to County.

6.2 Hazardous Materials. Seller represents and warrants for the benefit of County that, to the best of Seller's knowledge, there are no Hazardous Materials present on the Real Property and there has been no release, use, generation, discharge, storage, or disposal of any Hazardous Materials on, in, under or otherwise affecting all or any portion of the Real Property. Seller further represents and warrants that, to the best of Seller's knowledge, the Real Property is not in violation of any federal, state, or local law, ordinance or regulation relating to the environmental conditions on, under, or about the Real Property, including, but not limited to, soil and groundwater contamination. Seller knows of no fact or circumstance that may give rise to any future civil, criminal, or administrative proceedings against the property or Seller relating to environmental matters.

6.2.1 Hazardous Materials Defined: As used herein, the term "**Hazardous Materials**" shall mean any hazardous or toxic substance, material, sewage or waste which is regulated, controlled or prohibited by statute, rule, regulation, decree or order of any governmental authority, the State of California or the United States Government currently in effect. The term "Hazardous Material" includes, without limitation, any material or substance which is (1) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5, sections 25100, et seq., (Hazardous Waster Control Law), (2)

defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 ("CPTHSA Act"), (3) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Material Release Response Plans and Inventory Act), (4) defined as a "hazardous substance" under Section 25821 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (5) petroleum, (6) asbestos, (7) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (8) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Act, 33 U.S.C. Sec 1251 et seq. (33 U.S.C. Sec 1321), (9) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Sec 6901 et seq. (42 U.S.C. Sec. 6903), (10) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Sec. 9601 et seq. (42 U.S.C. Sec 9601) ("CERCLA"), or (11) defined as a "waste" under the California Porter-Cologne Water Quality Control Act, section 13050 of the California Water Code.

6.3 Leases. Seller warrants that there are no oral or written leases on all or any portion of the Real Property exceeding a period of one month.

6.4 Survival. All warranties, covenants, and other obligations described in this contract section and elsewhere in this Agreement shall survive delivery of the Grant Deed.

ARTICLE 7 - NOTICES

7.1 Notices. All communications and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given on the earlier of the date when actually delivered to Seller or County by the other or three (3) days after being deposited in the United States mail, postage prepaid and addressed as follows, unless and until either of such parties notifies the other in accordance with this paragraph of a change of address:

SELLER: Louis Hungate
15851 Wicklow Lane
Huntington Beach, CA 92647

COUNTY: County of El Dorado
Board of Supervisors
Attention: Clerk of the Board
330 Fair Lane
Placerville, CA 95667

COPY TO: County of El Dorado
Department of General Services
Attention: George Sanders
360 Fair Lane
Placerville, CA 95667

ARTICLE 8 - BROKER OR AGENT

8.1 Broker or Agent. County has not employed a broker or sales agent in connection with the purchase and sale of the Real Property. Seller has, however, employed a broker or sales agent in connection with the purchase and sale of the Real Property. Seller is solely responsible for the payment of any commission or other compensation to his broker or sales agent. Seller shall indemnify, defend and hold County harmless from any action or claim against County to pay any commission or other compensation to any third party in connection with this transaction.

ARTICLE 9 – WAIVER AND RELEASE OF CLAIMS

9.1 This Agreement is full consideration for all claims and damage that Seller may have relating to the public project for which the Real Property is conveyed and purchased, and Seller hereby waives any and all claims of Seller relating to said project that may exist on the date of this Agreement.

ARTICLE 10 - MISCELLANEOUS PROVISIONS

10.1 No Amendments. No amendment of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on either party hereto.

10.2 Time is of the Essence. County wishes to complete its Animal Control Facility Expansion project in the 2006 “construction season,” which, due to environmental and other concerns, is fairly limited in the South Lake Tahoe area. Accordingly, time is of the essence of each term and provision of this Agreement.

10.3 Binding Effect. This Agreement shall bind the parties, their personal representatives, successors, and assigns.

10.4 Invalidity. The invalidity of any provision of this Agreement as determined by a court of competent Jurisdiction shall in no way effect the validity of any other provision hereof.

10.5 Warranty of Authority. The parties to this Agreement warrant and represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized

to do so by law or other appropriate instrument and to bind upon said parties the obligations set forth herein.

10.6 Addendum. In the event of conflict between this Agreement and any Addendum or Exhibit attached hereto, the provisions of such Addendum or Exhibit shall control.

10.7 Venue. Any disputes or necessary interpretations of any provision of this Agreement and any attachments incorporated herein shall be governed by laws of the State of California and shall be filed in the Superior Court for El Dorado County.

10.8 Administrator. The County Officer or employee with responsibility for administering this Agreement is the Director of General Services, Keith C. Leech, or successor.

10.9 Execution. The Agreement may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

10.10 Prior Agreements. This Agreement supersedes any prior negotiations and agreements and contains the complete, exclusive, and final agreement of the parties with respect to the subject matter hereof. No other agreement, representation, statement or promise made by any party or any employee, officer, or agent of any party that is not expressly set forth in this Agreement shall be binding or impose any liability on a party.

10.11 Captions. The Section headings throughout this Agreement are for convenience and reference only and the words contained herein shall not be held to expand, modify, amplify or aid in the interpretation, construction or meaning of this Agreement.

10.12 Survival. Except as otherwise provided herein, the covenants, representations, and warranties contained in this Agreement shall survive the Close of Escrow and shall not be deemed merged in the Grant Deed but shall remain in full force and effect.

10.13 Further Assurances. Seller and County agree that at any time or from time to time after the execution of this Agreement, whether before or after the Closing Date, they will, upon request of the other, execute and deliver such further documents and do such further acts and things as the other party may reasonably request in order to effect fully the purposes of this Agreement.

10.14 Waiver. The waiver by Seller or County of a breach or failure of a term, covenant, or condition of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach or failure of condition of the same or of another provision hereof.

10.15 Third Party Beneficiaries. No condition, covenant, waiver or release contained herein made or given by Seller or County is intended to run to the benefit of any person not a party to this Agreement unless otherwise expressly set forth herein.

10.16 Incorporation of Recitals and Exhibits. The Recitals set forth above are true and correct and, together with the Exhibits attached hereto, are incorporated into this Agreement by this reference.

10.17 Attorney's Fees. In any action or proceeding at law or in equity arising out of this Agreement, the prevailing party shall be entitled to all reasonable attorney's fees, costs and expenses incurred in said action or proceeding.

10.18 Effective Date. This Agreement shall be subject to the approval of the County's Board of Supervisors after due notice and in accordance with the provisions of applicable law.

IN WITNESS WHEREOF, the parties hereto have entered into the Agreement as of the day and year last written.

BUYER/ "COUNTY":

Dated: 6/20/06

COUNTY OF EL DORADO

By: James R. Sweeney
James R. Sweeney, Chairman
Board of Supervisors

CINDY KECK
Clerk of the Board of Supervisors

By: Stephyn Tyler
Deputy Clerk

SELLER:

LOUIS HUNGATE

Dated: 5-31-06

Louis Hungate

EXHIBIT A

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF EL DORADO, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

LOT 40 AS SHOWN ON THAT CERTAIN MAP ENTITLED "TAHOE PARADISE UNIT NO. 51" FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY ON MAY 3, 1966 IN MAP BOOK "D" AT PAGE 63.

EXCEPTING THEREFROM ALL OIL, GAS AND HYDROCARBON SUBSTANCES AND ALL MINERALS OF WHATEVER KIND OR NATURE, TOGETHER WITH THE RIGHT TO RECOVER THE SAME, PROVIDED HOWEVER, THAT SUCH RECOVERY SHALL ONLY BE BY MEANS OF SLANT DRILLING OR BY MINE SHAFT MINING BELOW A DEPTH OF 100 FEET FROM THE SURFACE AS SET FORTH IN THAT CERTAIN DEED FROM TAHOE PARADISE, INC., A CALIFORNIA CORPORATION, RECORDED OCTOBER 17, 1975, IN BOOK 1354, PAGE 575 OFFICIAL RECORDS.

ASSESSORS PARCEL NO.: 035-183-14-100