

ALTA Commitment Form
COMMITMENT FOR TITLE INSURANCE
Issued by



STEWART TITLE®
GUARANTY COMPANY

STEWART TITLE GUARANTY COMPANY, a Texas Corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

This Commitment shall not be valid or binding until countersigned by a validating officer or authorized signatory.

IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

Countersigned by:

Craig A. Leonard

Authorized Signature
Stewart Title & Trust of Phoenix, Inc.

Company
Phoenix, AZ 85013

City, State

stewart
title guaranty company



Stewart J. Morris Jr.

Senior Chairman of the Board

Michael S. Morris

Chairman of the Board

Nicholas J. Smith

President

CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and the Conditions and Stipulations, and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

As to ALTA 2006 Policy forms:

5. The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org/>.

STEWART TITLE®

GUARANTY COMPANY

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252.

37-UP-2010
1st: 11/8/10

SCHEDULE A

Order Number: 10150216, Amend. No. 1

Escrow Officer: Nikki Leonard

Effective Date: September 23, 2010 at 5:00 p.m.

Title Officer: Teri Leonard / TL / tl

1. Policy or Policies to be issued: Amount of Insurance
 - (a) Owner's: ALTA 2006 Owner's Policy (Extended Coverage) \$ 25,450,000.00

Proposed Insured:
Kierland Crossing, LLC, a Delaware limited liability company
 - (b) Lender's: LTAA Standard Loan Policy \$ 3,700,000.00

Proposed Insured:
Kierland Crossing Residential, LLC, an Arizona limited liability company; Kierland Crossing Residential II, LLC, an Arizona limited liability company; and Kierland Crossing Residential III, LLC, an Arizona limited liability company
 - (c) Lender's: None \$

Proposed Insured:
2. The estate or interest in the land described or referred to in this Commitment and covered herein is:
FEE
3. Title to said estate or interest in said land is at the effective date hereof vested in:
Kierland Crossing Residential, LLC, an Arizona limited liability company, as to Parcel No. 1;
Kierland Crossing Residential II, LLC, an Arizona limited liability company, as to Parcel No. 2; and
Kierland Crossing Residential III, LLC, an Arizona limited liability company, as to Parcel No. 3
4. The land referred to in this Commitment is described as follows:
See Exhibit A attached hereto and made a part hereof.
5. The Deed of Trust to be insured and the assignments thereof, if any are described as follows:
See Exhibit B attached hereto and made a part hereof.

37-UP-2010
1st: 11/8/10

Order Number: 10150216, Amend. No. 1

Exhibit A

Parcel No. 1: (Proposed Lot 2, Scottsdale Quarter)

A portion of the northwest quarter of Section 11 and the southwest quarter of Section 2, Township 3 North, Range 4 East of the Gila and Salt River Meridian, Maricopa County, Arizona being described as follows:

COMMENCING at a City of Scottsdale brass cap found at the monumented intersection of 73rd Street and Butherus Road, as recorded on Thunderbird Industrial Airpark No. 3-A Book 160, Page 8, records of Maricopa County, Arizona, from which a City of Scottsdale brass cap in a handhole found at the monumented intersection of Butherus Road and Scottsdale Road, as shown on said Thunderbird Industrial Airpark No. 3-A, bears North 88°51'18" West, 1,054.98 feet; thence along the monumented centerline of said 73rd Street, North 01°08'27" East, 854.98 feet; thence North 88°51'33" West, 30.00 feet to the TRUE POINT OF BEGINNING;

thence North 88°51'18" West, 340.01 feet;

thence North 01°08'42" East, 195.18 feet to a point of curvature having a radius of 150.00 feet;

thence northerly, 46.47 feet along the arc of said curve concave to the west, through a central angle of 17°44'55";

thence North 16°36'13" West, 40.25 feet to a point on a non-tangent curve, the radius point of which bears, North 16°36'13" West, 2,065.00 feet, said point also being a point on a curve 65.00 feet south of and parallel with the monumented centerline of Greenway-Hayden Loop as recorded on the Scottsdale Research Park Map of Dedication Book 259, Page 38 and Affidavit Document No. 88-350648, records of Maricopa County, Arizona;

thence along said parallel curve, easterly, 326.49 feet along the arc of said curve concave to the north, through a central angle of 09°03'32" to a point of reverse curvature having a radius of 20.00 feet;

thence easterly, 32.63 feet along the arc of said curve concave to the south, through a central angle of 93°29'01" to a point of compound curvature, having a radius of 370.00 feet, said point also being 30.00 feet west of and parallel with said monumented centerline of 73rd Street;

thence along last said parallel curve, southerly, 155.03 feet along the arc of said curve concave to the west, through a central angle of 24°00'27";

thence continuing along last said parallel line, South 01°08'27" West, 242.04 feet to the TRUE POINT OF BEGINNING.

37-UP-2010
1st: 11/8/10

Order Number: 10150216, Amend. No. 1

Parcel No. 2: (Proposed Lot 3, Scottsdale Quarter)

A portion of the northwest quarter of Section 11, Township 3 North, Range 4 East of the Gila and Salt River Meridian, Maricopa County, Arizona being described as follows:

COMMENCING at a City of Scottsdale brass cap found at the monumented intersection of 73rd Street and Butherus Road, as recorded on Thunderbird Industrial Airpark No. 3-A Book 160, Page 8, records of Maricopa County, Arizona, from which a City of Scottsdale brass cap in a handhole found at the monumented intersection of Butherus Road and Scottsdale Road, as shown on said Thunderbird Industrial Airpark No. 3-A, bears North 88°51'18" West, 1,054.98 feet; thence along the monumented centerline of said 73rd Street, North 01°08'27" East, 381.59 feet; thence North 88°51'33" West, 30.00 feet to the TRUE POINT OF BEGINNING;

thence North 88°51'13" West, 340.04 feet;

thence North 01°08'42" East, 473.38 feet;

thence South 88°51'18" East, 340.01 feet to a point on a line 30.00 feet west of and parallel with said 73rd Street;

thence along said parallel line, South 01°08'27" West, 473.39 feet to the TRUE POINT OF BEGINNING.

Parcel No. 3: (Proposed Lot 4, Scottsdale Quarter)

A portion of the northwest quarter of Section 11, Township 3 North, Range 4 East of the Gila and Salt River Meridian, Maricopa County, Arizona being described as follows:

COMMENCING at a City of Scottsdale brass cap found at the monumented intersection of 73rd Street and Butherus Road, as recorded on Thunderbird Industrial Airpark No. 3-A Book 160, Page 8, records of Maricopa County, Arizona, from which a City of Scottsdale brass cap in a handhole found at the monumented intersection of Butherus Road and Scottsdale Road, as shown on said Thunderbird Industrial Airpark No. 3-A, bears North 88°51'18" West, 1,054.98 feet; thence along the monumented centerline of said Butherus Road, North 88°51'18" West, 60.00 feet; thence North 01°08'42" East, 50.00 feet to a point on a line 50.00 feet north of and parallel with said centerline of Butherus Road and the TRUE POINT OF BEGINNING;

thence along said parallel line, North 88°51'18" West, 151.44 feet;

thence North 01°08'42" East, 2.00 feet to a point on a line 52.00 feet north of and parallel with said centerline of Butherus Road;

thence along last said parallel line, North 88°51'18" West, 158.63 feet;

thence North 01°08'42" East, 329.60 feet;

thence South 88°51'13" East, 340.04 feet to a point on a line 30.00 feet west of and parallel with the monumented centerline of said 73rd Street;

37-UP-2010
1st: 11/8/10

Order Number: 10150216, Amend. No. 1

thence along last said parallel line, South $01^{\circ}08'27''$ West, 189.03 feet;

thence North $88^{\circ}51'33''$ West, 4.00 feet to a point on a line 34.00 feet west of and parallel with the monumented centerline of said 73rd Street;

thence along last said parallel line, South $01^{\circ}08'27''$ West, 116.56 feet;

thence South $46^{\circ}08'35''$ West, 36.77 feet to the TRUE POINT OF BEGINNING.

SAID PARCEL NOS. 1 THROUGH 3, INCLUSIVE, TO BE KNOWN AS:

Lots 2 through 4, inclusive, Scottsdale Quarter, according to Book ____ of Maps, Page ____, records of Maricopa County, Arizona.

37-UP-2010
1st: 11/8/10

Exhibit B

Deed of Trust given to secure the original amount of \$3,700,000.00, and any other amounts payable under the terms thereof

Dated: _____

Trustor: Kierland Crossing, LLC, a Delaware limited liability company

Trustee: _____

Beneficiary: Kierland Crossing Residential, LLC, an Arizona limited liability company; Kierland Crossing Residential II, LLC, an Arizona limited liability company; and Kierland Crossing Residential III, LLC, an Arizona limited liability company

Recorded: _____, in _____

37-UP-2010
1st: 11/8/10

SCHEDULE B

Order Number: 10150216, Amend. No. 1

Showing matters which will be excepted in the Policy unless the same are disposed of to the satisfaction of the Company.

- i. Defects, liens, encumbrances, adverse claims or other matters, if any, created first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
- ii. Subject to the usual printed exclusions and exceptions contained in the regular form of policy, reprinted for reference on the Addendum attached hereto.

The following matters will be excepted in Schedule B of the policy to be issued:

1. Any action by the County Assessor and/or Treasurer, altering the current or prior tax assessment, subsequent to the date of the Policy of Title Insurance.
2. Reservations contained in the Patent from the United States of America recorded in Book 118 of Deeds, page 551, reading as follows:

Subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights as may be recognized and acknowledged by the local customs, laws and decisions of courts; and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States of America.

(Affects proposed Lots 3 and 4 and that portion of proposed Lot 2 lying within Section 11)

3. Reservations or exceptions in the Patent from the State of Arizona recorded in Docket 15232, Page 462, or in Acts authorizing the issuance thereof, reading as follows:

Subject to existing reservations, easements, or rights-of-way heretofore legally obtained and now in full force and effect, and subject to the following specific mineral reservation, viz:: Pursuant to the provisions of Arizona Revised Statutes 37-231, of the following substances not heretofore retained and reserved by a predecessor in title to the State of Arizona, all oil, gas, other hydrocarbon substances, helium or other substances of a gaseous nature, coal, metals, minerals, fossils, fertilizer or every name and description, together with all uranium, thorium, or any other material which is or may be determined by the laws of the United States, or of this State, or decisions of Court, to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, and the exclusive right thereto, on, in or under the above described lands, shall be and remain and are hereby reserved in and retained by the State of Arizona, together with the right of the State of Arizona, its lessees or permittees to enter upon those lands for the purpose of exploration, development and removal of the above described substances as provided by the rules and regulations of the State Land Department and the laws of Arizona.

(Affects that portion of proposed Lot 2 lying within Section 2)

SCHEDULE B (Continued)

Order Number: 10150216, Amend. No. 1

4. Water rights, claims or title to water, and agreements, covenants, conditions or rights incident thereto, whether or not shown by the public records.

This exception is not limited by reason of the disclosure of any matter relating to Water Rights as may be set forth elsewhere in Schedule B.

5. The right of the State of Arizona, its lessees or permittees to enter upon those lands for the purpose of exploration, development and removal of the substances reserved in Patent recorded in Docket 15232, Page 462 as provided by the rules and regulations of the State Land Department and pursuant to the provisions of Arizona Revised Statutes 37-231.
(Affects that portion of proposed Lot 2 lying within Section 2)
6. Taxes and assessments collectible by the County Treasurer, Second Installment a lien payable but not yet due for the year 2010.
7. Easement for electric lines and facilities and rights incident thereto, as set forth in instrument recorded in Docket 11736, Page 1087.
(Affects proposed Lot 2)
8. Easement for public utilities as reserved within the road, street or alley abandoned by Resolution or Ordinance recorded in Document No. 88-366346 and re-recorded in Document No. 88-383623 and re-recorded in Document No. 88-390717, and thereafter Release of Easement, only as to the interest of the City of Scottsdale, recorded in Document No. 2009-0375918.
(Affects proposed Lot 2)
9. Vehicular Non-Access Easement and rights incident thereto, as set forth on map recorded in Book 259, of Maps, page 38 and affidavit of Correction recorded in Document No. 88-350648, and as modified by Release of Easement, releasing that portion along Greenway-Hayden Loop, recorded in Document No. 2009-0375551.
(As modified, affects proposed Lot 2)
10. Easement for underground electric lines and facilities and rights incident thereto, as set forth in instrument recorded in Document No. 95-0398073.
(Affects proposed Lot 2)
11. Terms, conditions, liabilities and obligations contained in an instrument entitled The Dial Corporation 73rd Street and Greenway-Hayden Loop Development Agreement, recorded in Document No. 97-0473356.
12. Matters shown on Survey recorded in Book 922 of Maps, page 22.
13. Terms and conditions as contained in instrument entitled Waiver of Right to Make a Claim Under Proposition 207 (A.R.S. § 12-1131 et. seq.) City of Scottsdale Case No. 10-DR-2007, recorded in Document No. 2007-1052122.

SCHEDULE B (Continued)

Order Number: 10150216, Amend. No. 1

14. Temporary Easement for storage of equipment and materials and rights incident thereto, as set forth in instrument recorded in Document No. 2008-0099584.
15. Terms, conditions, liabilities and obligations contained in an instrument entitled Joint Development Agreement, as disclosed by Memorandum recorded in Document No. 2008-0099585.
16. Easements, Restrictions, Conditions, Covenants, Reservations, Liabilities and Obligations, including but not limited to any recitals creating party walls, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin contained in instrument entitled Reciprocal Easement and Operating Agreement recorded in Document No. 2008-0099586 and Amendment recorded in Document No. 2008-0334982.
17. Easement for gas pipeline or pipelines and rights incident thereto, as set forth in instrument recorded in Document No. 2008-0734092 (as to proposed Lot 3 and a portion of proposed Lot 4), in Document No. 2008-0734093 (as to proposed Lot 2), and in Document No. 2008-0734094 (as to a portion of proposed Lot 4).
18. Easement for electrical and telecommunication lines and facilities and rights incident thereto, as set forth in instrument recorded in Document No. 2008-1056168.
19. Easements as shown and as set forth on that certain plat entitled Map of Dedication for Scottsdale Quarter recorded in Book 1020, of Maps, page 26 and Certificate of Correction recorded in Document No. 2010-0316769.
20. Easement for telecommunications, electrical and gas facilities and rights incident thereto, as set forth in instrument recorded in Document No. 2009-0272182.
21. Deed of Trust given to secure the original amount of \$15,750,000.00, and any other amounts payable under the terms thereof
Dated: October 29, 2009
Trustor: Kierland Crossing Residential, LLC, an Arizona limited liability company, as to Parcel No. 1; Kierland Crossing Residential II, LLC, an Arizona limited liability company, as to Parcel No. 2; and Kierland Crossing Residential III, LLC, an Arizona limited liability company, as to Parcel No. 3
Trustee: UPF Washington, Incorporated
Beneficiary: Washington Trust Bank
Recorded: November 05, 2009, in Document No. 2009-1022958
And thereafter an Assumption Agreement dated _____, recorded _____, in Document No. _____.
(Affects all)

SCHEDULE B (Continued)

Order Number: 10150216, Amend. No. 1

22. Unrecorded leases under the terms and conditions contained therein, to those Lessee's as set forth below, all as disclosed by recorded instruments affecting said land:

- a. H & M Hennes Mauritz, L.P., Lessee.
- b. Oakville Grocery, Lessee.

The present ownership of any leasehold interests and any other matters affecting the interests of the lessees are not shown herein.

23. Rights of parties in possession.

NOTE: This exception may be made more specific upon our examination of documents, which entitle the occupants to possession.

37-UP-2010
1st: 11/8/10

REQUIREMENTS

Order Number: 10150216, Amend. No. 1

The County Recorder may not accept documents for recording which do not comply with Arizona Revised Statutes 11-480 which, among other things, requires the following:

- a) Print must be ten-point type (pica) or larger.
- b) Margins of at least one-half inch along the left and right sides, one-half inch across the bottom, and on the first page at least two inches on top for recording and return address information. (NOTE: Nothing must be contained in the margin areas, including initials.)
- c) Each instrument shall be no larger than 8-1/2 inches in width and 14 inches in length.

Due to changes in Arizona Revised Statutes the County Recorder may not accept for recording any documents containing any more than five numbers that are reasonably identifiable as being part of an individual's Social Security Number, Credit Card, Charge Card or Debit Card Numbers, Retirement Account Numbers, Savings, Checking or Securities Entitlement Account Numbers.

The following requirements must be met and completed to the satisfaction of the Company before its policy of title insurance will be issued:

1. RECORD PARTIAL RELEASE of Labor or Materialman's Lien
Dated: January 26, 2010
Claimant: Blue Tee Corp., a Delaware corporation authorized to do business in the State of Arizona, doing business as Brown-Strauss Steel
Against: Sucia Scottsdale, LLC
In the amount of: \$3,580.77, plus additional charges if any
Recorded: February 01, 2010, in Document No. 2010-0083427
(Description affects all proposed lots)
2. DISMISSAL of Pending Proceedings in the Superior Court of Arizona, County of Maricopa, and RECORDATION of Release of Lis Pendens
Case No.: CV2010-095491
Plaintiff(s): Fairbank's Contracting & Development, LLC, an Arizona limited liability company
Defendant(s): Sucia Scottsdale, LLC, a Delaware limited liability company, et. al.
Suit to: foreclose a mechanic's lien recorded in Document No. 2010-0138493 and set forth in Requirement No. 3, below
Disclosed by: Lis Pendens recorded August 12, 2010, in Document No. 2010-0690345
Attorney for Plaintiff: Don C. Fletcher (Bar No. 012140); Kiel S. Berry (Bar No. 026636) / Lake & Cobb, P.L.C.

37-UP-2010
1st: 11/8/10

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

3. RECORD PARTIAL RELEASE of Labor or Materialman's Lien
Dated: February 18, 2010
Claimant: Fairbank's Contracting & Development, LLC
Against: Sucia Scottsdale, LLC, a Delaware limited liability company, Owner and Oakville Grocery, Lessee
In the amount of: \$348,944.93, plus additional charges if any
Recorded: February 19, 2010, in Document No. 2010-0138493
(Description affects all proposed lots)
4. RECORD PARTIAL RELEASE of Labor or Materialman's Lien
Dated: February 10, 2010
Claimant: Farsworth Wholesale
Against: Sucia Scottsdale, LLC
In the amount of: \$24,490.84, plus additional charges if any
Recorded: February 23, 2010, in Document No. 2010-0149796
(Description affects all proposed lots)
5. RECORD PARTIAL RELEASE of Labor or Materialman's Lien
Dated: March 10, 2010
Claimant: Statewide Electric
Against: Sucia Scottsdale, LLC, a Delaware limited liability company, Owner and Oakville Grocery, Lessee
In the amount of: \$87,503.52, plus additional charges if any
Recorded: March 12, 2010, in Document No. 2010-0209015
(Description affects all proposed lots)
6. RECORD PARTIAL RELEASE of Labor or Materialman's Lien
Dated: March 25, 2010
Claimant: Partitions and Accessories Company
Against: Sucia Scottsdale LLC, Owner and The Oakville Grocer (Scottsdale Market)
In the amount of: \$4,453.00, plus additional charges if any
Recorded: April 02, 2010, in Document No. 2010-0278937
(Description covers all proposed lots)
7. RECORD PARTIAL RELEASE of Labor or Materialman's Lien
Dated: April 01, 2010
Claimant: To The Max Airmax Cooling & Heating
Against: Sucia Scottsdale, LLC, a Delaware limited liability company, Owner and Oakville Grocery, Lessee
In the amount of: \$18,671.87, plus additional charges if any
Recorded: April 08, 2010, in Document No. 2010-0294239
(Description covers all proposed lots)

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

8. RECORD PARTIAL RELEASE of Labor or Materialman's Lien
Dated: June 21, 2010
Claimant: Steeler, Inc.
Against: Sucia Scottsdale, LLC and Global Three, LLC
In the amount of: \$5,596.50, plus additional charges if any
Recorded: June 22, 2010, in Document No. 2010-0525839
(Description covers all proposed lots)
NOTE: Release recorded in Document No. 2010-0806330 is not sufficient to remove this requirement due to the reservation of rights contained therein.
9. RECORD PARTIAL RELEASE of Labor or Materialman's Lien
Dated: July 26, 2010
Claimant: Brown Wholesale Electric, a division of Wesco Distribution, Inc., a Delaware corporation
Against: Sucia Scottsdale, LLC, a Delaware limited liability company; and Global Three, LLC, a Nevada limited liability company
In the amount of: \$18,636.30, plus additional charges if any
Recorded: July 29, 2010, in Document No. 2010-0646016
(Description covers all proposed lots)
10. APPROVAL by the Legal Department of the Company of this Commitment prior to close of escrow and issuance of policy.

PLEASE NOTE: SOME COVERAGE, INCLUDING MECHANIC'S LIEN, CERTAIN ENDORSEMENTS, ETC., MAY REQUIRE ADDITIONAL TIME TO OBTAIN APPROVAL. NOTIFY US ABOUT ANY REQUESTED ADDITIONAL COVERAGE AS SOON AS POSSIBLE TO AVOID DELAYS.
11. THE RIGHT IS RESERVED by the Company to make additional exceptions and/or requirements should additional information be provided that changes or modifies the proposed transaction beyond the scope of that defined by Schedule A of this Commitment for Title Insurance.
12. FURNISH the Company with proper Certificate by the Owner itemizing all Leases, identifying Lessee, date of Lease, Terms and any Options to Renew. SAID CERTIFICATE SHALL ALSO STATE THAT NONE OF THE LEASES REFERRED TO THEREIN CONTAINS A FIRST RIGHT OF REFUSAL OR OPTION TO PURCHASE. Upon receipt and approval by the Company, Exception No. 23 of Schedule B will be limited to those parties identified in the Certificate.

NOTE: If any leases are to be subordinated THE FORM OF SUBORDINATION MUST BE APPROVED by the Company PRIOR TO CLOSE OF ESCROW.

37-UP-2010
1st: 11/8/10

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

13. FURNISH an Indemnity Agreement for the benefit of Stewart Title & Trust Company of Phoenix, Inc. and Stewart Title Guaranty executed by the seller/borrower that no work or material has been done or furnished within the statutory lien period which could give rise to a mechanic's or materialman's lien.
14. **REQUIREMENT SATISFIED. (USUAL PRELIMINARY INSPECTION)**
15. FURNISH PLAT OF SURVEY acceptable to the Company. THE RIGHT IS RESERVED to make additional requirements or exceptions upon examination of said plat.

NOTE: The plat of survey furnished to satisfy the above requirements must be made by a Registered Land Surveyor, showing proper ties to locating monuments, location of the improvements on the premises, easements or rights-of-way, over or under the property, together with any encroachments or projections, fences or any other matters affecting the use and occupancy of the premises, and CERTIFICATION BY said Land Surveyor shall read as follows:

"This is to certify that this map or plat and the survey on which it is based were made in accordance with Minimum Standard Detail requirements for ALTA/ACSM Land Title Surveys, jointly established and adopted by ALTA and NSPS in 2005 and includes items 1, 6, 8, 10, 11(a), 11(b) and 13 of Table A thereof. Pursuant to the Accuracy Standards as adopted by ALTA and NSPS and in effect on the date of this certification, undersigned further certifies that in my professional opinion, as a land surveyor registered in the State of Arizona, the Relative Positional Accuracy of this survey does not exceed that which is specified therein."

Upon furnishing of said plat, any matter disclosed by said plat will be added to Schedule B.

Additionally, the Certification should include "Stewart Title & Trust of Phoenix, Inc. and Stewart Title Guaranty Company."

NOTE: Should Zoning coverage be requested, items 7a, 7b and 7c of Table A, and the type and number of parking spaces must be included.

16. FURNISH copy of filed Amended Articles of Organization of Kierland Crossing Residential, LLC, an Arizona limited liability company which reflects the change in Manager from Vanguard City Home, LLC, an Arizona limited liability company to Brothers Company, LLC, a Washington limited liability company. THE RIGHT IS RESERVED to make additional exceptions or requirements upon review of the information required.

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

17. FURNISH the Company with a written statement from the Member(s) or Manager(s) shown below stating that the Operating Agreement for Kierland Crossing Residential, LLC, an Arizona limited liability company has not been amended since November 05, 2009, or if said Agreement has been amended, furnish a copy of said amendment to the Company for review.

Manager: Brothers Company, LLC, a Washington limited liability company

THE RIGHT IS RESERVED to make additional requirements upon review of the documentation required.

18. FURNISH copy of filed Amended Articles of Organization of Kierland Crossing Residential II, LLC, an Arizona limited liability company which reflects the change in Manager from Vanguard City Home, LLC, an Arizona limited liability company to Brothers Company, LLC, a Washington limited liability company. THE RIGHT IS RESERVED to make additional exceptions or requirements upon review of the information required.

19. FURNISH the Company with a written statement from the Member(s) or Manager(s) shown below stating that the Operating Agreement for Kierland Crossing Residential II, LLC, an Arizona limited liability company has not been amended since November 05, 2009, or if said Agreement has been amended, furnish a copy of said amendment to the Company for review.

Manager: Brothers Company, LLC, a Washington limited liability company

THE RIGHT IS RESERVED to make additional requirements upon review of the documentation required.

20. FURNISH copy of filed Amended Articles of Organization of Kierland Crossing Residential III, LLC, an Arizona limited liability company which reflects the change in Manager from Vanguard City Home, LLC, an Arizona limited liability company to Brothers Company, LLC, a Washington limited liability company. THE RIGHT IS RESERVED to make additional exceptions or requirements upon review of the information required.

21. FURNISH the Company with a written statement from the Member(s) or Manager(s) shown below stating that the Operating Agreement for Kierland Crossing Residential, LLC III, an Arizona limited liability company has not been amended since November 05, 2009, or if said Agreement has been amended, furnish a copy of said amendment to the Company for review.

Manager: Brothers Company, LLC, a Washington limited liability company

THE RIGHT IS RESERVED to make additional requirements upon review of the documentation required.

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

22. FURNISH the Company with a written statement from the Member(s) or Manager(s) shown below stating that the Operating Agreement for Brothers Company, LLC, a Washington limited liability company has not been amended since November 05, 2009, or if said Agreement has been amended, furnish a copy of said amendment to the Company for review.

Manager: Alvin J. Wolff, Jr.

THE RIGHT IS RESERVED to make additional requirements upon review of the documentation required.

23. FURNISH copy of Certificate of Registration of Kierland Crossing, LLC, a Delaware limited liability company (a foreign limited liability company) filed with the Arizona Corporation Commission -OR- PROPER SHOWING that said limited liability company is in good standing in its domiciliary jurisdiction. THE RIGHT IS RESERVED to make additional requirements upon examination of said certificate.
24. SUBMIT fully executed copy of the Operating Agreement (and all amendments) of Kierland Crossing, LLC, a Delaware limited liability company for examination OR, IN LIEU thereof, sworn Affidavit that this limited liability company has elected to not be governed by an operating agreement. THE RIGHT IS RESERVED to make additional requirements upon said examination.
25. Proper showing as to the intent of UCC Financing Statement Amendment recorded in Document No. 2009-1114493, which purports to be a continuation of a UCC Statement which has been terminated.
26. RECORD PROPER INSTRUMENT OF ABANDONMENT abandoning those certain A.E., P.A.E., S.D.E., T.S.T. and V.N.A.E. dedicated by Map of Dedication for Scottsdale Quarter recorded in Book 1020 of Maps, page 26 which are not in alignment with and/or will affect new easement dedications with regards to the Lot Line between Lots 3 and 4 as show on the proposed Final Plat of Scottsdale Quarter

THE RIGHT IS RESERVED to make additional exceptions or requirements upon examination of the abandonment document for recording called for in the Requirement above.

PLEASE FURNISH DOCUMENT FOR TITLE REVIEW PRIOR TO EXECUTION.

THE RIGHT IS RESERVED to make additional exceptions or requirements upon review of the information required.

37-UP-2010
1st: 11/8/10

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

27. RECORD Corrective Deed from Kierland Crossing Residential, LLC, an Arizona limited liability company to Kierland Crossing Residential, LLC, an Arizona limited liability company. This Deed is necessary to Correct the first paragraph of legal description on Deed recorded in Document No. 2009-0943636 to include "and also being a portion of the southwest quarter of Section 2, Township 3 North, Range 4 East of the Gila and Salt River Base and Meridian".
28. RECORD FINAL PLAT, including all approvals and appropriate signatures and notary acknowledgements, in compliance with the criteria set forth by the County Recorder, creating Scottsdale Quarter.
NOTE: It is the experience of this company that BLACK ink must be used for all signatures, including notaries, and post it notes placed over live signatures to protect from smearing.
29. RECORD Deed from Kierland Crossing Residential, LLC, an Arizona limited liability company, as to Parcel No. 1; Kierland Crossing Residential II, LLC, an Arizona limited liability company, as to Parcel No. 2; and Kierland Crossing Residential III, LLC, an Arizona limited liability company, as to Parcel No. 3 to the parties to be insured herein.

COMPLIANCE with A.R.S. 11-1133, which states that an affidavit must be completed by a seller and a buyer and appended to a deed or contract for the sale of real estate which is presented for recording. Pursuant to A.R.S. 1134 A & B, the affidavit and fee required by this article may not apply to certain deeds and/or transfers of title. If a document is exempt, the Exemption Code must appear on the face of the document.

30. RECORD ASSUMPTION AGREEMENT of Deed of Trust recorded November 05, 2009, in Document No. 2009-1022958.
31. PROPER EXECUTION OF the Deed of Trust or Mortgage to be insured herein. NOTE: If the security document(s) are executed by any parties in addition to the record title holder/purchaser, the following will be added to Schedule B in any Owners Policy, Schedule B, Part II of any LTAA Standard Coverage Loan Policy, or Schedule B, Part I, of any ALTA Lenders Policy, when issued, unless properly disposed of to the satisfaction of the Company:

Rights of _____, in and to the within property, as disclosed by joinder in the execution of instrument recorded _____, in _____. NOTE: At execution thereof this was not the record title holder of property.

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

32. RECORD Deed of Trust to be insured, shown at Schedule A, Paragraph 5.

NOTE 1: Arizona has very specific Statutory requirements for the qualifications for "Trustee" under a deed of trust. Those requirements can be found at:
<http://www.azleg.state.az.us/ars/33/00803.htm>

NOTE 2: If STEWART TITLE & TRUST OF PHOENIX, INC. is named as Trustee under the Deed of Trust, the correct name and address is:

STEWART TITLE & TRUST OF PHOENIX, INC., a Delaware corporation

STEWART TITLE & TRUST OF PHOENIX, INC.
244 West Osborn Road
Phoenix, AZ 85013

NOTE 3: CREDITOR'S RIGHTS COVERAGE IS NOT AVAILABLE through either deletion of the Creditor's Rights Exclusion or any affirmative Creditor's Rights Endorsement. Lender's Instructions requesting such coverage may cause a delay in recording, pending amended instructions.

33. PAY First Installment 2010 taxes, Parcel Nos. 215-56-056D, -056H and -056J.
34. DISMISSAL of Pending Proceedings in the Superior Court of Arizona, County of Maricopa, and RECORDATION of Release of Lis Pendens
Case No.: CV2010-027593
Plaintiff(s): Brown Wholesale Electric, a division of Wesco Distribution, Inc., a Delaware corporation
Defendant(s): Sucia Scottsdale, LLC, a Delaware limited liability company, et. al.
Suit to: foreclose a Notice and Claim of Lien recorded in Document No. 2010-0646016 (said lien is shown in Requirement No. 9, herein)
Disclosed by: Lis Pendens recorded September 23, 2010, in Document No. 2010-0823979
Attorney for Plaintiff: Holden Willits PLC, Michael J. Holden (State Bar No. 006361) and Jordan T. Ellet (State Bar No. 023911)

37-UP-2010
1st: 11/8/10

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

35. LAPSE OF 150 DAYS after written final acceptance by the governmental authority which issued the building permit for the improvement, OR IN LIEU THEREOF furnish Indemnity Agreement, indemnifying Stewart Title Guaranty Company, a Texas corporation and Stewart Title & Trust of Phoenix, Inc, a Delaware corporation, against loss by reason of any statutory liens that may gain priority over the interest(s) to be insured herein.

NOTE: In order to review said indemnity for approval, please furnish the following items prior to close of escrow. Should additional information be required, you will be notified:

- Completed Request for Indemnity Form
- Current financial statements from borrowers
- The as-built appraised value
- The total cost to build
- Copies of Construction Contract and Loan Agreement
- Proof that all work and materials from which a lien may arise have been paid for in full
 - Lien Waivers
 - Paid receipts
- The amount of unpaid bills, if any
- The project completion date / proof of final city/county inspection
- The amount of undisbursed loan funds

TITLE NOTE: Termination of UCC Financing Statements recorded in Document Nos. 2008-0745066, 2008-0745067 and 2008-0745068, which were to come items in Stewart Title's file # 09052142.

TAX NOTE: 2009 Tax Parcel # 215-56-056D (Parcel No. 1); 215-56-056H (Parcel No. 2) and 215-56-056J (Parcel No. 3)

PRIOR to recording, obtain current tax information from:	Maricopa County Treasurer 301 W. Jefferson Phoenix, AZ 85003	Phone: (602) 506-8511 http://treasurer.maricopa.gov/index.htm
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NOTE: There is located on said land vacant land, commonly known as:

Kierland Crossing, Scottsdale, AZ

37-UP-2010
1st: 11/8/10

REQUIREMENTS (Continued)

Order Number: 10150216, Amend. No. 1

24 MONTH CHAIN NOTE: The conveyances that recorded on the property that is subject of this escrow that have recorded within the last 24 months of the effective date hereof are as follows:

- a) Quit Claim Deed dated September 30, 2009, recorded October 13, 2009 in Document No. 2009-0943636, from Kierland Crossing Residential, LLC, an Arizona limited liability company, Grantor to Kierland Crossing Residential, LLC, an Arizona limited liability company, Grantee. (Parcel No. 1)
- b) Quit Claim Deed dated September 30, 2009, recorded October 13, 2009 in Document No. 2009-0943633, from Kierland Crossing Residential II, LLC, an Arizona limited liability company, Grantor to Kierland Crossing Residential II, LLC, an Arizona limited liability company, Grantee. (Parcel No. 2)
- c) Quit Claim Deed dated September 30, 2009, recorded October 13, 2009 in Document No. 2009-0943634, from Kierland Crossing Residential III, LLC, an Arizona limited liability company, Grantor to Kierland Crossing Residential III, LLC, an Arizona limited liability company, Grantee. (Portion of Parcel No. 3)
- d) Quit Claim Deed dated September 30, 2009, recorded October 13, 2009 in Document No. 2009-0943635, from Kierland Crossing Residential II, LLC, an Arizona limited liability company, Grantor to Kierland Crossing Residential III, LLC, an Arizona limited liability company, Grantee. (Remainder of Parcel No. 3)

NOTE: Arizona Revised Statutes Section 6-483 regulates the disbursement of funds by escrow agents. Funds received by Stewart Title & Trust of Phoenix via wire transfer may be disbursed upon receipt. Other types of payments may delay closing of your transaction. You should contact your escrow officer directly to obtain wiring instructions.

THIS COMMITMENT IS NOT AN ABSTRACT, EXAMINATION, REPORT, OR REPRESENTATION OF FACT OR TITLE AND DOES NOT CREATE AND SHALL NOT BE THE BASIS OF ANY CLAIM FOR NEGLIGENCE, NEGLIGENT MISREPRESENTATION OR OTHER TORT CLAIM OR ACTION. THE SOLE LIABILITY OF COMPANY AND ITS TITLE INSURANCE AGENT SHALL ARISE UNDER AND BE GOVERNED BY THE CONDITIONS OF THE COMMITMENT.

ADDENDUM TO COMMITMENT FOR TITLE INSURANCE

The policy or policies to be issued will contain exceptions to or exclusions from coverage as to the following matters unless the same are disposed of to the satisfaction of or by agreement with the Company.

EXCEPTIONS TO STANDARD POLICIES AND ALTA OWNER'S POLICIES

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 by making inquiry of persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the Public Records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the Public Records.
5. (a) Unpatented mining claims;
(b) reservations or exceptions in patents or in Acts authorizing the issuance thereof;
(c) water rights, claims or title to water.
6. Any right, title, interest, estate or easement in land beyond the lines of the area specifically described or referred to in Schedule A, or in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing in this paragraph shall modify or limit the extent to which the ordinary right of an abutting owner for access to a physically open street or highway is insured by this policy.
7. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

EXCLUSIONS FROM STANDARD POLICIES, ALTA OWNER'S POLICIES AND ALTA LOAN POLICIES (EXCEPT 2006 POLICY FORMS)

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 the violation of any 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 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)(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 (estate or interest insured by this policy)(interest of the insured mortgagee) being deemed a fraudulent conveyance or fraudulent transfer, or
- (b) the subordination of the insured mortgage (if applicable) as a result of the application of the doctrine of equitable subordination; or
- (c) the transaction creating the (estate or interest insured by this policy)(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 judgement or lien creditor.

In addition, as to an ALTA Loan Policy only:

- 5. 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.
- 6. 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.
- 7. 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.

NOTE: Exceptions numbered 1 through 7 above will be eliminated from an ALTA (Extended Coverage) Owner's or Loan Policy. Exclusions 1 through 7 are exclusions from coverage in the regular form of the policy and said items cannot be eliminated.

EXCLUSIONS FROM ALTA 2006 OWNER'S POLICY:

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 that arise by reason of:

- 1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 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 (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
- 5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attached between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

NOTE: Exceptions numbered 1 through 7 above will be eliminated from an ALTA (Extended Coverage) Owner's or Loan Policy. Exclusions 1 through 5 are exclusions from coverage in the regular form of the policy and said items cannot be eliminated.

EXCLUSIONS FROM ALTA 2006 LOAN POLICY:

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 that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

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 crated subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or

(e) resulting in loss or damage that 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 an Insured to comply with applicable doing-business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that 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, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is

(a) a fraudulent conveyance or fraudulent transfer, or

(b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

NOTE: Exceptions numbered 1 through 7 above will be eliminated from an ALTA (Extended Coverage) Owner's or Loan Policy. Exclusions 1 through 7 are exclusions from coverage in the regular form of the policy and said items cannot be eliminated.

(All references to ALTA policies shall mean those as revised 10/17/92, unless otherwise noted)

EXCLUSIONS FROM 10/22/03 ALTA HOMEOWNER'S POLICIES

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' 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 the 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. 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.

EXCLUSIONS FROM 01/01/08 ALTA HOMEOWNER'S POLICIES

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

1. Governmental police power, and the existence or violation of any law or government regulation concerning:
 - a. building
 - b. zoning
 - c. land use
 - d. improvements on the land
 - e. land division
 - f. environmental protection

This Exclusion does not limit the coverage described in Covered Risk 8a, 14, 15, 16, 17, 18, 19, 20, 23 or 27.

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 limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded 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, 8e, 25, 26, 27 or 28.
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 21.

Stewart Title & Trust of Phoenix

37-UP-2010
1st: 11/8/10

STG Privacy Notice 1 (Rev 01/26/09) Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the **Stewart Title Guaranty Company** and its affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information	Do we share?	Can you limit this sharing?
For our everyday business purposes —to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes – to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes —information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates may include companies with a Stewart name: financial companies, such as Stewart Title Company.</i>	Yes	No
For our affiliates' everyday business purposes —information about your creditworthiness.	No	We don't share
For our affiliates to market to you	Yes	No
For nonaffiliates to market to you. Nonaffiliates are companies not related by common ownership or control. They can be financial and nonfinancial companies.	No	We don't share

We may disclose your personal information to our affiliates or to nonaffiliates as permitted by law. If you request a transaction with a nonaffiliate, such as a third party insurance company, we will disclose your personal information to that nonaffiliate. (We do not control their subsequent use of information, and suggest you refer to their privacy notices.)

Sharing practices	
How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction
How often do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal and state law. These measures include computer, file, and building safeguards.
How often do the Stewart Title Companies collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none">request insurance-related servicesprovide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact Us	If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056
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37-UP-2010
1st: 11/8/10