



# Fidelity National Title Company

6060 Sepulveda Boulevard, Suite 100 Van Nuys, CA 91411  
(818) 881-7800 FAX (818) 776-8528

## PRELIMINARY REPORT

TITLE OFFICER: Sheila Isham - Fax (818) 342-1386

ORDER NO.: 19597434

TO: Public Administrator  
320 West Temple Street 9th Floor  
Los Angeles, CA

LOAN NO.:

ATTN: Jeanette  
YOUR REFERENCE.: Smatts

SHORT TERM RATE: Yes

PROPERTY ADDRESS: 14807 Condon Avenue, No. 107, Lawndale, California

EFFECTIVE DATE: April 23, 2009, 07:30 A.M.

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

American Land Title Association Homeowner's Policy of Title For a One-To-Four Family Residence (10/22/03)  
ALTA Loan Policy (6/17/06)

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Basil E. Smatts and Ranchnell S. Smatts, husband and wife, as joint tenants

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "ONE" ATTACHED HERETO AND MADE A PART HEREOF

RCA\RCA 04/28/2009

## LEGAL DESCRIPTION

### EXHIBIT "ONE"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE IN THE CITY OF LAWNDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

A Condominium Comprised of:

Parcel 1:

A) An undivided 1/36th interest in Lot 1, of Tract No. 32199, in the City of Lawndale, County of Los Angeles, State of California, as per map recorded in Book 849 Page(s) 81 and 82 of maps, in the office of the County Recorder of said county.

Except therefrom the Westerly 244.72 feet, measured along the Northerly line of said land, all oil, gas, minerals and other hydrocarbon substances, lying below a depth of 500 feet, without the right of surface entry, as reserved in deed from Paul J. Howard and Allaseba B. Howard, husband and wife, recorded June 15, 1954 in Book 44810 Page 296, Official Records.

Also except therefrom Units 1 to 36 inclusive as shown and defined on the Condominium Plan recorded March 6, 1975 as Instrument No. 338 Official Records.

B) Unit 7 as shown and defined on the Condominium Plan referred to above.

Parcel 2:

An exclusive easement appurtenant to and for the benefit of Parcel 1 for parking purposes over those areas shown and defined as Parking Spaces 63 and 64, on the Condominium Plan referred to above.

Assessor's Parcel No: 4078-008-027

**AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:**

1. **Property taxes**, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2009-2010.

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. **Water rights, claims or title to water**, whether or not disclosed by the public records.

4. **Recitals** as shown on that certain map known as Tract No. 32199 recorded in Book , Page of Official Records, which, among other things states:

"We hereby dedicate to the City of Lawndale the right to prohibit the construction of additional residence buildings within Lot 1 except that portion within the permitted residential building areas and except for additional parking or recreational facilities and appurtenances  
"

5. **The fact that the ownership of said land does not include rights of access to or from the street, highway, or freeway abutting said land, such rights having been relinquished by the map of said Tract.**

Affects: Condon Avenue

Said land, however, abuts on a public thoroughfare, other than the one referred to above, over which the rights of vehicular access have not been relinquished.

6. **The matters set forth in the document shown below which, among other things, contains or provides for: certain easements; liens and the subordination thereof; provisions relating to partition; restrictions on severability of component parts; and covenants, conditions and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin).**

Entitled: Declaration of Covenants, Conditions and Restrictions

Recorded: February 19, 1975, Instrument No. 368, of 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 familial status, marital status, disability, national origin, or ancestry, that restriction violates state and federal housing laws and is void. Any person holding an interest in this property may request that the county recorder remove the restrictive language pursuant to subdivision (c) of Section 12956.1 of the Government Code.

Said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.

Modification(s) of said covenants, conditions and restrictions

Recorded: February 3, 1981, Instrument No. 81-128639, of Official Records

7. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as set forth in a document;

Purpose: Public utilities  
 Recorded: May 22, 1975, Instrument No. 2835, of Official Records  
 Affects: The Easterly 11 feet of the common area

8. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as set forth in a document;

Purpose: Parking  
 Recorded: October 14, 1975, Instrument No. 796, of Official Records  
 Affects: A portion of the common area

9. **A deed of trust** to secure an indebtedness in the amount shown below, and any other obligations secured thereby

Amount: \$544,185.00  
 Dated: December 6, 2006  
 Trustor: Basil E. Smatts and Ranchnell S. Smatts, husband and wife, as joint tenants  
 Trustee: LSI, a Fidelity National Title Company  
 Beneficiary: Financial Freedom Senior Funding Corporation, a Subsidiary of Indymac Bank, FSB  
 Loan No.: As provided therein  
 Recorded: December 13, 2006, Instrument No. 06-2761709, of Official Records

No assurance is made as to the priority existing between said deed of trust and the deed of trust (or deeds of trust) recorded concurrently therewith.

To avoid delays at the time of closing, if the above deed of trust is an Equity Line/Line of Credit, it will be necessary that all checks, passbooks, credit cards together with instructions to close the account be submitted prior to the close of escrow.

In order to expedite compliance with the above, please do the following:

- (a) Request that the account be frozen
- (b) Obtain a statement from the lender that no advances have been made after the issuance of the demand for payoff
- (c) Upon delivery of the payoff check obtain a full reconveyance
- (d) In that said deed of trust, under a design line agreement, may secure more than one note, make inquiry when requesting the demand as to the existence of more than one note.

NOTE: Amended Civil Code Section 2941, which becomes effective on January 1, 2002 sets the fee for the processing and recordation of the reconveyance of each Deed of Trust being paid through this transaction \$45.00. The reconveyance must be clearly set forth in the Beneficiary's Payoff Demand Statement ("Demand"). In addition, an assignment or authorized release of the fee, from the Beneficiary to the Trustee of the record, must be included. an example of the required language is as follows:

"The beneficiary identified above hereby assigns releases or transfer to the Trustee of record, the sub of \$45.00, included herein as "Reconveyance Fee", for the processing and recordation of the Reconveyance of the Deed of Trust securing the indebtedness covered hereby, and the escrow company or title processing this pay-off is authorized to deduct the Reconveyance Fee from this Demand and forward said fee to the trustee of record or the successor Trustee under the Trust Deed to be paid off in Full."

In the event that the reconveyance fee and the assignment, release or transfer are not included within the Demand Statement, then Fidelity National Title Insurance Company and its Underwritten Agent may decline to process the reconveyance and will be forced to return all documentation directly to the Beneficiary for compliance with the requirements of the revised statute.

10. **A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby**

Amount: \$544,185.00  
 Dated: December 6, 2006  
 Trustor: Basil E. Smatts and Ranchnell S. Smatts, husband and wife, as joint tenants  
 Trustee: Senior Official with responsibility for Single Family Mortgage Insurance Program in the Department of Housing and Urban Development Field Office with jurisdiction over the property  
 Beneficiary: The Secretary of Housing and Urban Development  
 Loan No.: As provided therein  
 Recorded: December 13, 2006, Instrument No. 06-2761710, of Official Records

No assurance is made as to the priority existing between said deed of trust and the deed of trust (or deeds of trust) recorded concurrently therewith.

To avoid delays at the time of closing, if the above deed of trust is an Equity Line/Line of Credit, it will be necessary that all checks, passbooks, credit cards together with instructions to close the account be submitted prior to the close of escrow.

In order to expedite compliance with the above, please do the following:

- (a) Request that the account be frozen
- (b) Obtain a statement from the lender that no advances have been made after the issuance of the demand for payoff
- (c) Upon delivery of the payoff check obtain a full reconveyance
- (d) In that said deed of trust, under a design line agreement, may secure more than one note, make inquiry when requesting the demand as to the existence of more than one note.

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"The beneficiary identified above hereby assigns releases or transfer to the Trustee of record, the sub of \$45.00, included herein as "Reconveyance Fee", for the processing and recordation of the Reconveyance of the Deed of Trust securing the indebtedness covered hereby, and the escrow company or title processing this pay-off is authorized to deduct the Reconveyance Fee from this Demand and forward said fee to the trustee of record or the successor Trustee under the Trust Deed to be paid off in Full."

In the event that the reconveyance fee and the assignment, release or transfer are not included within the Demand Statement, then Fidelity National Title Insurance Company and its Underwritten Agent may decline to process the reconveyance and will be forced to return all documentation directly to the Beneficiary for compliance with the requirements of the revised statute.

11. In order to complete this report, this Company requires a Statement of Information to be completed by the following party,

Party: All Parties

The Company reserves the right to add additional items or make further requirements after review of the requested Statement(s) of Information.

12. The application for title insurance was placed by reference to only a street address or tax identification number.

Based on our records, we believe that the description in this report covers the parcel requested, however, if the legal description is incorrect a new report must be prepared.

If the legal description is incorrect, in order to prevent delays, the seller/buyer/borrower must provide the Company and/or the settlement agent with the correct legal description intended to be the subject of this transaction.

### END OF ITEMS

- Note 1. The current owner does NOT qualify for the \$20.00 discount pursuant to the coordinated stipulated judgments entered in actions filed by both the Attorney General and private class action plaintiffs for the herein described property.

- Note 2. Unless this Company is in receipt of WRITTEN instructions authorizing a particular policy, Fidelity National Title will AUTOMATICALLY issue the American Land Title Association Homeowner's Policy (10/22/03) for all qualifying residential 1-4 properties/transactions to insure the buyer at the close of escrow.

Note 3. Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:

APN:	4078-008-027
Fiscal year	2008-2009
1st Installment:	\$494.99 PAID
2nd Installment:	\$494.99 PAID
Exemption:	\$7,000.00
Land:	\$14,251.00
Improvements:	\$58,723.00
Personal Property:	\$None Shown
Code Area:	12711

Note 4. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an Extended Coverage Loan Policy, when issued.

Note 5. The Company is not aware of any matters which would cause it to decline to attach the CLTA Endorsement Form 116.2 indicating that the land includes a condominium designated as Unit No. 7 and known as 14807 Condon Avenue, No. 107, Lawndale, CA to an Extended Coverage Policy.

Note 6. There are NO deeds affecting said land, recorded within twenty-four (24) months of the date of this report.

Note 7. WIRE INSTRUCTIONS

COMERICA BANK CALIFORNIA  
 Financial Services Group  
 2321 Rosecrans Avenue, Suite 1225  
 El Segundo, CA, 90245

Routing No. 121137522  
 For Credit to FIDELITY NATIONAL TITLE

Account No. 1891608570  
 Attn: Payoff Department  
 Ref: Order No. \_\_\_\_\_  
 Title Officer: \_\_\_\_\_

END OF NOTES