

# Exhibit E

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# Chicago Title Company

**ISSUING OFFICE:** 50 Winham Street • Salinas, CA 93901

**FOR SETTLEMENT INQUIRIES, CONTACT:** Chicago Title Company - Monterey  
250 Bonifacio Place • Monterey, CA 93940  
831 375-2262 • FAX 831 646-1421

## PRELIMINARY REPORT

Title Officer: Maryrose Mancha  
Escrow Officer: Kimberly Verania  
Escrow No.: 12-52506859-KV

**Amended**  
Title No.: 12-52506859-A-MM  
Locate No.: CACTI7727-7727-4525-0052506859

TO: Union Bank, N. A.  
8248 Mercury Court  
San Diego, CA 92111

**READ AND APPROVED:**

\_\_\_\_\_

\_\_\_\_\_

**PROPERTY ADDRESS:** 583 Vlejo Road, Carmel, California

**EFFECTIVE DATE:** July 6, 2012, 07:30 A.M.

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

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 as to Parcel(s) I;  
AN EASEMENT more fully described below as to Parcel(s) II
  
2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:  
  
**H. Hugo and Linda Hugo, as Trustees of the Hugo 1990 Revocable Trust, U/D/T September 27, 1990; as Amended August 1, 1991, as Amended February 20, 2001**
  
3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:  
  
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

PR\PR 03/29/2012

**LEGAL DESCRIPTION**

**EXHIBIT "A"**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CARMEL, COUNTY OF Monterey, STATE OF California AND IS DESCRIBED AS FOLLOWS:

PARCEL I:

Certain real property situate, lying and being in Rancho Aguajito, County of Monterey, State of California, particularly described as follows:

Beginning at a 4" x 4" post marked T 42 L standing on the Southeasterly line of a county road, 60 feet wide, running through Lot 2, Los Ranchitos de Aguajito, as said 4" x 4" post, said county road and said Lot 2 are shown and described on that certain map entitled "Map of Los Ranchitos de Aguajito", filed with the Recorder of Monterey County, California, on July 17, 1928, in Volume 2 of Surveys at Page 47; thence, following said Southeasterly line of said county road

(1) N. 53° 10' E., 112.04 feet to a point where said Southeasterly line of said county road meets the centerline of a private right-of-way, 60 feet wide, said point being also on the Southerly line of that certain 5.17 acre tract, the property of Mrs. Ann Byers, which is shown on said map as "Ann Byers, 5.17 acres"; thence, following said Southerly line of said 5.17 acre tract and said centerline of said private right-of-way,

(2) N. 89° 39' E., 90.29 feet; thence

(3) N. 67° 31' E., 75.83 feet; thence

(4) N. 87° 59' E., 60.69 feet; thence

(5) S. 62° 52' E., 67.46 feet to the terminal point of said centerline; thence, leaving said centerline and said Southerly line of said 5.17 acre tract

(6) S. 3° 32' 30" W., 227.05 feet to a 2" x 3" stake; thence

(7) S. 16° 05' 30" W., 344.60 feet to a 2" x 3" stake; thence

(8) S. 16° 01' W., 16.23 feet to a 3" x 3" stake, said stake being the most Easterly corner of that certain 5.00 acre covered by that certain deed from La Salle Realty Co. to Basil F. Bickel, and recorded in Volume 539 of the Official Records of Monterey County at Page 209 (said tract being shown on said map as "Basil F. Bickel, 5.0 acres"); thence following the Northeasterly line of said 5.00 acre tract

(9) N. 56° 40' W., 627.80 feet (at 86.50 feet a 2" x 2" stake, at 245.50 feet a 3" x 3" post, at 340.90 feet a 2" x 2" stake) to a 3" x 3" post driven slightly below ground level, said post being at the point of intersection of said Northeasterly line of said 5.00 acre tract with the Southeasterly line of a county road, 60 feet wide, shown on said map as a private right-of-way and since dedicated to Monterey County (from said 3" x 3" post at the intersection of said lines the point of beginning of the description in said deed from La Salle Realty Co. to Basil F. Bickel bears N. 56° 40' W., 15.14 feet; and from said point of beginning of said deed, said 4" x 4" post marked T 42 L bears by measurement N. 62° 07' 30" E., 320.55 feet, not N. 68° 25' E., 327.96 feet as stated in said deed from La Salle Realty Co. to Basil F. Bickel); thence following along said Southeasterly line of said county road formerly shown as a private right-of-way,

(10) N. 42° 25' E., 4.68 feet; thence

(11) N. 7° 20' E., 76.28 feet; thence

(12) N. 15° 20' E., 93.08 feet; thence

(13) N. 26° 28' E., 66.73 feet to the point at which said Southeasterly line of said road intersects the Southerly line of the county road first mentioned (from which point the center of the curve shown on said map as extending from T 42 to T 43 bears N. 75° 00' 15" E., 130 feet); thence, following said Southerly line of said road

EXHIBIT "A" (continued)

Title No. 12-52506859-A-MM  
Locate No. CACT17727-7727-4525-0052506859

(14) 253.75 feet along the arc of a curve concave to the Northeast of radius 130 feet (long chord bears S. 70° 54' 53" E., 215.34 feet) to the point of beginning, at which point said arc is tangent to Course (1) above.

PARCEL II:

A non-exclusive right of way for construction, maintenance and use of a driveway and utilities over a strip of land 30 feet wide, lying along, adjacent to and Northerly of courses numbered 2, 3, 4, 5 of Parcel I above.

APN: 103-031-004

**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 2012-2013.
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. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: Pacific Gas and Electric Company, a California Corporation, et al  
Purpose: Public Utilities  
Recorded: September 22, 1937, Book 547, Page 105, of Official Records  
Affects: As stated therein

4. **Covenants, conditions and restrictions** in the declaration of restrictions but omitting any covenant or restriction, if any, based on race, color, religion, sex, handicap, familial status or national origin as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

Recorded: October 18, 1939, Book 639, Page 72, of Official Records

Said covenants, conditions and restrictions do not provide for reversion of title in the event of a breach thereof.

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

Reserved by: La Salle Realty Company  
Purpose: Road  
Recorded: October 18, 1939, Book 639, Page 72, of Official Records  
Affects: As stated therein

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

Reserved by: Albert S. Ham, a married man, as his sole and separate property  
Purpose: Construction, maintenance and use of driveway and of utilities lines  
Recorded: April 9, 1997, Book 3502 of Reels, Page 1059, of Official Records  
Affects: The Northerly boundary

ITEMS: (continued)

Title No. 12-52506859-A-MM  
Locate No. CACTI7727-7727-4525-0052506859

7. **Matters** contained in that certain document entitled "Road Maintenance Agreement" dated March 20, 1997, recorded April 8, 1997, Book 3502, Page 1076, of Official Records.

Reference is hereby made to said document for full particulars.

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

Granted to: Pacific Bell Telephone Company, a California Corporation  
Purpose: Communication facilities together with the right of ingress and egress  
Recorded: January 25, 2001, Instrument No. 2001005468, of Official Records  
Affects: As therein provided

Notice of Final Description recorded May 1, 2001 as Document No. 2001034000, Official Records of Monterey County.

9. **A Notice** of Monterey County Code Violation

Recorded: October 16, 2001, Instrument No. 2001087492, of Official Records

Reference is made to said document for full particulars.

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

Amount: \$3,600,000.00  
Dated: March 2, 2007  
Trustor: H. Hugo and Linda Hugo, as Trustees of the Hugo 1990 Revocable Trust, U/D/T september 27, 1990, as Amended August 1, 1991, as Amended February 20, 2001  
Trustee: California Reconveyance Company, a California Corp  
Beneficiary: Washington Mutual Bank, FA, a Federal Savings Bank  
Loan No.: NONE SHOWN  
Recorded: March 8, 2007, Instrument No. 2007019227, of Official Records

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

Amount: \$500,000.00  
Dated: August 16, 2007  
Trustor: H. Hugo and Linda Hugo Trustees of the Hugo 1990 Revocable Trust  
Trustee: California Reconveyance Company, a California Corporation  
Beneficiary: Washington Mutual Bank, a Federal Association  
Loan No.: 0661080234  
Recorded: August 28, 2007, Instrument No. 2007067319, of Official Records

Note: The Deed of Trust set forth above is purported to be a "Credit Line" Deed of Trust. It is a requirement that the Trustor of said Deed of Trust provide written authorization to close said credit line account to the Lender when the Deed of Trust is being paid through the Company or other Settlement/Escrow Agent.

12. If title is to be insured in the trustee(s) of a trust, (or if their act is to be insured), this Company will require a **Trust Certification pursuant to California Probate Code Section 18100.5**. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

**END OF ITEMS**

- Note 1.** Property taxes for the fiscal year shown below are PAID. For proration purposes the amounts are:  
Tax Identification No.: 103-031-004  
Fiscal Year: 2011 - 2012  
1st Installment: \$4,471.87  
2nd Installment: \$4,471.87
- Note 2.** 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 3.** The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.
- 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 indicating that there is located on said land A Single Family Dwelling known as 583 Viejo Road, Carmel, CA to an Extended Coverage Loan Policy.
- Note 6.** There are NO deeds affecting said land, recorded within twenty-four (24) months of the date of this report.



STATE OF CALIFORNIA )  
                          ) SS.  
COUNTY OF MONTEREY )

On this 18th day of October, A.D. nineteen hundred and thirty-nine, before me, S. E. BOMER, a Notary Public in and for said County of Monterey, residing therein, duly commissioned and sworn, personally appeared CHARLES G. STEPHENS, a single man, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at my office in the said County of Monterey, the day and year in this certificate first above written.

S. E. BOMER  
Notary Public in and for the County  
of Monterey, State of California.  
(Notarial Seal)

Recorded at request of SALINAS TITLE GUARANTEE COMPANY, Oct. 18, 1939 at 19 min.  
past 2 P.M. #72155... Fee \$4.50... Green

DEED NO. \_\_\_\_\_

THIS INDENTURE, made the 14th day of September, in the year of our Lord, one thousand nine hundred and thirty-nine, between the LA SALLE REALTY COMPANY, a corporation duly incorporated and organized under the laws of the State of California, the party of the first part, hereinafter referred to as Grantor, and LAUD BYERS and ANN BYERS, his wife, party of the second part, hereinafter referred to as Grantee:

WITNESSETH: That the said Grantor for and in consideration of the acceptance of this conveyance by the said Grantee, subject to the conditions and restrictions hereinafter mentioned and expressed, and for and in further consideration of the sum of Ten and no/100 (\$10.00) Dollars, in lawful money of the United States to it in hand paid by the said Grantee, the receipt of which is hereby acknowledged, has granted, bargained, sold and conveyed and by these presents does grant, bargain, sell and convey unto the said Grantee, and to said Grantee's heirs and assigns forever, subject to the conditions and restrictions hereinafter expressed, that certain lot, piece or parcel of land situate, lying and being in the County of Monterey, State of California, and more particularly described as follows, to-wit:

Certain real property situate, lying and being in Rancho Aguaquito, in County of Monterey, State of California, being a part of Lot 2, as said Lot is shown and so designated on map entitled "Map of Los Ranchitos de Aguaquito", filed for record July 17, 1928 in Volume 2 of Surveys at page 47, records of Monterey County, California, said part being particularly described as follows, to-wit:-

BEGINNING at a 2" x 3" post standing on the southerly side of a subdivision

U. S.  
INT. REV.  
STAMPS  
\$3.00  
Excise

road (60 feet wide) from which a 4" x 4" post marked "T 36 L" standing on the southerly side of said subdivision road (said 4" x 4" post being shown and so designated on said filed map) bears N. 82° 09' E., 75.05 feet distant; thence from point of beginning and running

- (1) N. 5° 27' W., 34.6 feet to a point in the centerline of said subdivision road; thence along said centerline
- (2) along the arc of a circular curve to the right (the center of which bears N. 7° 26' E., 200.0 feet distant) for a distance of 83.4 feet; thence
- (3) N. 58° 35' W., 285.2 feet; thence
- (4) along the arc of a circular curve to the left (the center of which bears S. 31° 25' W., 330.0 feet distant) for a distance of 301.7 feet; thence
- (5) S. 69° W., 90.1 feet; thence
- (6) along the arc of a circular curve to the left (the center of which bears S. 21° E., 500.0 feet distant) for a distance of 138.2 feet; thence
- (7) S. 53° 10' W., 112.03 feet; thence leave said centerline and running along the centerline of 60 foot right of way
- (8) N. 89° 39' E., 140.75 feet; thence
- (9) N. 67° 31' E., 75.83 feet; thence
- (10) N. 87° 59' E., 60.69 feet; thence
- (11) S. 62° 52' E., 67.46 feet; thence leave the centerline of said 60 foot right of way and running along the centerline of a 30 foot right of way
- (12) S. 38° 59' E., 123.78 feet; thence
- (13) S. 7° 54' E., 154.33 feet; thence
- (14) S. 45° 25' E., 122.97 feet; thence leave last mentioned centerline and running
- (15) S. 81° 42' E., 286.54 feet to a 2" x 3" post; thence
- (16) N. 31° 05' E., 247.39 feet, at 114.93 feet, a 2" x 3" post, 247.39 feet to a 2" x 3" post; thence
- (17) N. 5° 27' W., 93.82 feet to the place of beginning.

Courses all true.

Containing a gross area of 5.87 acres of land.

Excepting therefrom all that portion of land lying within the limits of said subdivision road (60 feet wide),

Leaving a net area of 5.17 acres of land.

Together with rights of ways appurtenant for all purposes of roads over, upon and across the following two strips of land:

FIRST: A strip of land 30 feet wide, lying along, contiguous to and southerly from those certain courses hereinabove numbered (8) to (11) both inclusive.

SECOND: A strip of land 15 feet wide, lying along, contiguous to and southerly from those certain courses hereinabove numbered (12) to (14), both inclusive.

Reserving, however, from the above described 5.17 acre tract of land, rights of ways appurtenant for all purposes of roads, over, upon and across the following two strips of land:

**FIRST:** a strip of land 30 feet wide, lying along, contiguous to and northerly from those certain courses hereinabove numbered (8) to (11) both inclusive.

**SECOND:** A strip of land 15 feet wide, lying along, contiguous to and northerly from those certain courses hereinabove numbered, (12) to (14), both inclusive.

**TO HAVE AND TO HOLD,** all and singular the above mentioned and described premises together with the appurtenances unto the said Grantee and unto said Grantee's heirs and assigns forever.

This conveyance is made and accepted subject to the following express conditions and restrictions:

**FIRST:** That for a period of twenty-five (25) years, the premises herein described shall not be used or occupied, or permitted to be used or occupied by Asiatics or Negroes, except that persons of said races may be employed as household servants, and the Grantee agrees not to sell, convey, lease or transfer said premises or any part thereof, or any estate or interest therein, excepting to persons belonging to the Caucasian Race.

**SECOND:** That no building or improvement of any kind shall be erected or maintained on the premises herein described until the plans and specifications thereof have first been submitted to, and approved in writing by the Grantor.

**THIRD:** For a period of twenty-five (25) years after date hereof the Grantee agrees that the property shall <sup>not</sup> be subdivided into parcels of less than five (5) acres each.

**FOURTH:** The Grantee shall not at any time conduct or permit to be conducted any trade or business on said premises without the consent in writing of the Grantor, its successors or assigns.

**FIFTH:** It is agreed by the parties hereto that the Grantor will, within a reasonable time, and at its own expense, lay out and grade the roads shown upon the road map on file in the office of the County Recorder of Monterey County, California.

**SIXTH:** In order to supply water for domestic purposes to the Grantees who purchase property from the Grantor, the said Grantor agrees that it will, at its own expense, install a pipe line extending from an intake point on the pipe lines of the Monterey County Water Works to the boundary of the property herein described; or the Grantor will drill a well or wells and establish a separate water supply for the said purpose. After said pipe lines are connected up with said Monterey Water Company's system, <sup>or</sup> with said wells, the Grantor shall be at no further expense for said water, or water supply.

**SEVENTH:** The Grantor agrees, at its own expense and within a reasonable time, to construct electric transmission lines, along the lines of the road map on file in the office of the County Recorder of Monterey County, California.

The foregoing covenants, conditions and restrictions shall be enforceable by said Grantor, its grantees and successors in interest, and all of such conditions shall run with the land and be incorporated in any and all deeds and agreements of sale made by said Grantee of any portion of the twenty-four hundred (2400) acres

tract acquired by the Grantor from Will Jacks and Bertha B. Jacks, of which tract the property herein described is a part, and the grantee of said Grantee, in any deed or agreement of sale, shall also in such deed or agreement of sale, covenant and agree that all said conditions shall be incorporated in and be made a part of any contract, deed or transfer of such property made by said Grantee, and by all subsequent owners and holders of said property, or any part thereof, That each and all of the aforesaid conditions shall be enforceable by injunction or by other form of action available to the parties aggrieved or to the Grantor or its successors in interest, and if the plaintiff shall recover in such action or suit, the defendant therein shall pay said plaintiff a reasonable attorney's fee in such action which shall be taxed by the court as part of the costs therein, and no action brought or judgment rendered shall be construed as a merger of the whole nor as a bar to any action for succeeding branches.

It is further understood and agreed that whenever necessary the word "Grantee" as used in this deed shall be deemed to include the feminine and neuter, as well as the masculine gender, and the plural as well as the singular number, and that all the conditions, restrictions, covenants, agreements and promises herein contained shall inure to and bind the heirs, executors, administrators, successors and assigns of the Grantor and the Grantee.

IN WITNESS WHEREOF, the LA SALLE REALTY COMPANY, has caused these presents to be signed by K. McPHILLIPS its President, and by N. E. McDERMOTT, its Secretary and its corporate seal to be hereunto affixed, and the said Grantee have hereunto set their hands and seals the day and year first above written,

LA SALLE REALTY COMPANY

By K. McPHILLIPS

President.

(CORPORATE SEAL)

And N. E. McDERMOTT

Secretary.

\_\_\_\_\_  
(SEAL)

\_\_\_\_\_  
(SEAL)

STATE OF CALIFORNIA )  
 ) SS.  
CITY AND COUNTY OF SAN FRANCISCO )

On this 30th day of September, in the year 1939, before me, JAMES J. SULLIVAN, a Notary Public in and for the said City and County of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared K. McPHILLIPS and N. E. McDERMOTT, known to me to be the President and Secretary respectively of the Corporation described in and that executed the within instrument, and also known to me to be the persons who executed it on behalf of the Corporation therein named, and they acknowledged to me that such Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official seal, at my office in the City and County of San Francisco, State of California, the day and year in this certificate first above written.

JAMES J. SULLIVAN  
Notary Public in and for the City and  
County of San Francisco, State of  
California.

(Notarial Seal)

My Commission Expires Dec. 31, 1942.

Recorded at request of SALINAS TITLE GUARANTEE COMPANY, Oct. 18, 1939 at 53 min.  
past 2 P.M. #72163...Fee \$2.40...Green

(Consideration for this Deed is less than \$100)

THIS INDENTURE, made the 26th day of September, one thousand nine hundred  
and thirty-nine, between ERLE D. MERCHANT and DECIMA M. KINSMAN, the parties of  
the first part, and NEOLA M. BUONISER the party of the second part,

WITNESSETH: That the said parties of the first part, in consideration of  
the sum of Ten (\$10.00) dollars, lawful money of the United States of America,  
to them in hand paid by the said party of the second part, the receipt whereof  
is hereby acknowledged, do by these presents, grant, bargain, and sell unto the  
said party of the second part, and to her heirs and assigns forever, all of their  
and each of their, right, title and interest in and to that certain lot, piece  
or parcel of land situate in the City of Pacific Grove, County of Monterey,  
State of California, and bounded and described as follows, to-wit:

Lot 15 in Block 52 as said lot and block are laid down and designated on  
that certain map entitled "Map of Pacific Grove Retreat, Monterey, California,  
St. John Cox, Surveyor, July 1875", filed in the office of the County Recorder  
of the County of Monterey, State of California, August 8, 1876, and now on file  
and of record in said office in Map Book One, Cities and Towns, page 49 therein.

The interest which the parties of the first part, and each of them, have  
in and to the above described real property, is the separate property of the said  
parties of the first part.

TOGETHER with the tenements, hereditaments, and appurtenances thereunto be-  
longing or appertaining, and the reversion and reversions, remainder and remain-  
ders, rents, issues, and profits thereof.

TO HAVE AND TO HOLD the said premises, together with the appurtenances, unto  
the said party of the second part, and to her heirs and assigns forever.

IN WITNESS WHEREOF, the said parties of the first part, have hereunto set  
their hands the day and year first above written.

SIGNED AND DELIVERED IN  
THE PRESENCE OF

ERLE D. MERCHANT  
DECIMA M. KINSMAN

STATE OF CALIFORNIA )  
CITY AND COUNTY OF SAN FRANCISCO ) ss.

On this 14th day of October, in the year One Thousand Nine Hundred and

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