

Inclusionary Housing BMR File Review Checklist

OWNERSHIP PERMANENT FILE

(please print)

Property Address: 1160 mission st.
 Unit Number(s): 812 Zipcode: 94103
 Owner Name(s): Gregory Garver
 Property Type: Ownership File Type: Permanent File

OWNERSHIP PERMANENT FILE DOCUMENT CHECKLIST

<i>Tab 1: Required Documents</i>	<i>Tab 3: Resale Documentation</i>
<input checked="" type="checkbox"/> MOH Promissory Note	<input type="checkbox"/> Pricing Letters
<input checked="" type="checkbox"/> MOH Deed of Trust RP	<input type="checkbox"/> Misc. Pricing Documentation
<input checked="" type="checkbox"/> MOH Acknowledgement	<input type="checkbox"/> Special Assessments Documentation
<input checked="" type="checkbox"/> MOH Right of First Refusal RP	<input type="checkbox"/> Capital Improvement Documentation
<i>Tab 2: Supplemental Documents</i>	
<input checked="" type="checkbox"/> Grant Deed	
<input checked="" type="checkbox"/> Additional Deeds of Trust and Notes	<i>Tab 4: Refinancing Documentation</i>
<input checked="" type="checkbox"/> HUD-1 Settlement Statement	<input type="checkbox"/> Refinancing Letters
<input checked="" type="checkbox"/> ALTA- TITLE POLICY	<input type="checkbox"/> Subordination Agreements

Tab 1: Required Documents

NOTE

THIS IS A CERTIFIED TRUE COPY OF THE ORIGINAL

Old Republic Title Company
California

December 26, 2008
[Date]

SAN FRANCISCO
[City]

[State]

1160 Mission St Apt 812
SAN FRANCISCO, CA 94103
[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 166,273.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is JPMorgan Chase Bank, N.A.

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.250 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each month beginning on February 01, 2009. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on January 01, 2039, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at P.O. Box 78420, Phoenix, AZ 85062-8420

or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. \$ 1,134.28

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

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5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of **Fifteen** calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be **6.000%** of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

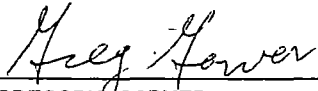
10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.



GREGORY GARVER (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

[Sign Original Only]

City Note

(Secured by Deed of Trust)

Inclusionary Housing Below Market Rate Downpayment Assistance Loan Program (BMR DALP)

BMR Loan #: BMR-08-1025

Date: 12/29/08

Principal Amount: \$ 33,255

San Francisco, California

Interest Rate: 0%

Borrower's Name: Gregory Garver

Property Address: 1160 Mission Street, Unit 812 San Francisco, CA 94103

1. Borrower's Promise to Pay. For value received, the undersigned ("Borrower") hereby promises to pay to the City and County of San Francisco, a municipal corporation ("Lender") the principal amount of U.S. Thirty Three Thousand Two Hundred Fifty Five (\$ 33,255) (the "Principal Amount") plus a Share of Appreciation (as defined in Section 7 below) in the value of the Property as defined in Section 7 below, to the order of the Lender. The interest rate on the principal amount is 0%.
2. Borrower acknowledges that the loan in the Principal Amount made to Borrower by Lender as of the date of this Note was made pursuant to the BMR Downpayment Assistance Loan Program (BMR DALP). Borrower represents and warrants that, as of the date of this Note, Borrower qualifies as a low-income household as determined by the California Department of Housing and Community Development.
3. Borrower acknowledges that Thirty Three Thousand Two Hundred Fifty Five (\$ 33,255) of the Principal Amount are funded by BMR DALP.
4. Use of Principal Amount. The Lender has provided the Principal Amount to Borrower to finance a portion of Borrower's down payment or closing cost for the purchase of a single-family residence located at 1160 Mission Street, Unit 812 San Francisco, CA 94103 (the "Property"). The purchase price of the Property ("Purchase Price") is Two Hundred Twenty One Thousand Six Hundred Ninety Eight (\$221,698) (the "Purchase Price").
5. Security. The Borrower's obligations under this Note are secured by a Deed of Trust and Assignment of Rents executed by Borrower, as Trustor, for the benefit of Lender, as Beneficiary (the "City Deed of Trust").
6. Time and Place of Payments
 - (a) The Principal Amount of this Note, together with the Share of Appreciation (as defined in Section 7 below), shall be due and payable in full on the Maturity Date to the City and County of San Francisco at the Mayor's Office of Housing, 1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103 or at such other place as the City may from time to time designate.
 - (b) The Maturity Date shall be the earliest to occur of the following:
 - (i) The date which is thirty (30) years from the date of this Note;
 - (ii) An acceleration by Lender of this Note in the event of a default hereunder or under the City Deed of Trust; or
 - (iii) The date of the first sale or transfer of the Property to occur after the date of this Note. For the purposes of this Note, "sale or transfer" shall mean: (i) any rental of the Property where the Borrower no longer occupies the property as a principal residence, (ii) the recording of any encumbrance against the Property other than as consented to in writing by Lender; or (iii) any transfer of title to the Property, including but not limited to a transfer through inheritance, entering into any installment sales contract giving the purchaser or a third party a right to possess the Property or any portion of the Property before transfer of title, and/or a judicial sale on execution or other legal process of foreclosure or trustee's sale of the Property (regardless of whether initiated by the Lender); provided, however, that "transfer"

does not include the following:

- (A) a transfer resulting from death of a Borrower where the transfer is to a Co-Borrower; or
- (B) a transfer resulting from a decree of dissolution of marriage or legal separation or from a property settlement agreement incidental to such a decree in which one of the Borrowers becomes the sole owner of the Property;
- (C) a transfer between co-Borrowers; or
- (D) a transfer through inheritance where the transferee is otherwise eligible to purchase the Property under the BMR Program requirements as set out: (i) Planning Code § 315, (ii) the Planning Commission Motion No. 16692 and 16996 adopted on December 4, 2003 and April 28, 2005 respectively, (iii) the "Notice of Special Restrictions Under the City Planning Code" recorded in the Official Records of San Francisco County on August 21, 2006 as Document No. 2006-1232677-00, and (iv) the City and County of San Francisco Inclusionary Housing Monitoring and Procedures Manual issued by the San Francisco Planning Commission applicable to the Property (collectively, the "Restriction").

7. Share of Appreciation. On the Maturity Date or on the date of any prepayment under Section 8, the Borrower agrees to repay to Lender the Principal Amount, default interest (if any), plus the "Share of Appreciation" calculated under this Section 7. The Share of Appreciation is defined as **Fifteen Percent (15%)** of the increase in the affordable resale value (as determined by the Mayor's Office of Housing or its successor) of the Property, if any, from the date of Borrower's purchase of the Property through the Maturity Date. The Share of Appreciation has been determined by dividing the Principal Amount by the affordable resale value of the Property as of the date of this Note.
8. Borrower's Right to Prepay. The Borrower may repay the Principal Amount, together with default interest (if any) and the Share of Appreciation as of the date of such prepayment, calculated under Section 7 above, provided that such prepayment is in full and not in part. No prepayment charge will be imposed by the Lender.
9. Loan Charges. If any law which applies to this loan and which sets maximum loan charges is finally interpreted so that any amounts collected or to be collected in connection with this loan exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (ii) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. The Lender may choose to make this refund by making a direct payment to Borrower or by another method determined by Lender.
10. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application.
 - a. Borrower shall have sixty (60) days from execution of this Note to occupy, establish, and use the Property as Borrower's principal residence. Except as otherwise expressly permitted by the Restriction, Borrower shall continue to occupy the residence as his or her principal residence. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default under this Note if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's reasonable judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Note. Borrower may cure such a default and reinstate Borrower's obligations, by causing the action or proceeding to be dismissed with a ruling that, in Lender's reasonable determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Note or Lender's security interest.
 - b. Borrower shall also be in default under this Note if Borrower, during the loan application process, gave materially false or inaccurate information statements to Lender (or failed to provide Lender with any material information) in connection with the Loan evidenced by the Note, including, but not limited to, representations concerning (1) Borrower's intent to occupy the Property as a principal residence; (2) Borrower's income; and (3) Borrower's eligibility as a first time homebuyer under the requirements of the BMR Program; (4) Borrower's completion of the approved Homebuyer Education Course and (5) Borrowers household size and composition.

c. The Borrower acknowledges that this Property is subject to certain use and occupancy restrictions which are evidenced by the Restriction, generally limiting the Property's use to low and moderate income housing as further described in the Restriction. The Restriction also requires Borrower to occupy and use the Property as Borrower's principal residence and prohibit the Borrower from renting the Property at any time, except with under limited circumstances set forth in the Restriction. Any violation of the Restriction by Borrower shall be deemed a default hereunder.

11. Borrower's Default.

- (a) Failure to Pay as Required. If Borrower fails to pay the Principal Amount plus the Share of Appreciation on the Maturity Date, Borrower will be in default under this Note.
- (b) Non-Monetary Default. If Borrower fails to perform any of the terms, covenants or obligations under this Note or the City Deed of Trust, or if any representation or warranty made by Borrower under this Note or the City Deed of Trust proves to have been incorrect in any material respect when made, Borrower shall be in default under this Note.
- (c) Cross-Default. If Borrower is in default with respect to any other funding obligation for the Property, including but not limited to the Restriction, the First Deed of Trust Loan (as defined in Section 15 of this Note), and the BMR Lien (as defined in Section 15 of this Note), and the default remains uncured following the expiration of any applicable cure periods, Borrower will be in default under this Note.
- (d) Notice of Default; Interest. Upon a default by Borrower, Lender shall provide written notice of such default to Borrower. Borrower shall have thirty (30) days from the effective date of such notice to cure the default. In the event Borrower fails to cure the default within the thirty (30) day period, the Principal Balance plus the Share of Appreciation, plus simple interest on such amount at a rate equal to ten percent (10%) from the end of such thirty-day period through the date of full repayment of that amount to the City, shall be immediately due and payable without the necessity of any further notice or demand. The City may exercise all remedies available at law or in equity to obtain full payment of all amounts due, including, as applicable, costs described in Section 9(d).
- (e) No Waiver by Lender. The Lender's failure to exercise any remedies upon a default shall not be a waiver of the Lender's right to exercise such remedies.
- (f) Payment of Lender's Costs and Expenses. If the Borrower is in default under this Note, the Lender's costs and expenses of enforcing this Note, including reasonable attorney's fees, shall be added to the Principal Amount, to the extent not prohibited by applicable law.

12. Notices. All notices required by this Note shall be made in writing, and shall be deemed communicated by personal delivery or by United States mail, postage prepaid, as of the earlier of actual receipt or three days from mailing, addressed as follows:

To Lender: Director
Mayor's Office of Housing
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

To Borrower: At the Property Address in Section 4

or such other address as either Lender or Borrower may designate, from time to time, by written notice sent to the other party in like manner.

13. Obligations Under this Note. If more than one person signs this Note, each person shall be a "Co-Borrower" and is jointly and severally liable for the obligations under this Note. This means that each such person is fully and personally obligated to comply with all of the Borrower's obligations set forth in this Note, including the promise to pay the full amount owed, and Lender may require any one person to pay all amounts owed under this Note. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these

things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to comply with all of the Borrower's obligations set forth in this Note. The Lender may enforce its rights under this Note against each person individually or against all of us together.

14. Waivers. The Borrower and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Lender to demand payment of amounts due. "Notice of dishonor" means the right to require the Lender to give notice to other persons that amounts due have not been paid.
15. Subordination. The indebtedness evidenced by this Note, and any other financial obligation which may hereafter be imposed on Borrower by the Lender, is as of the date of this Note subordinate to: (i) the indebtedness evidenced by a note in the original principal amount of **\$166,273** payable to **JP Morgan Chase Bank, N.A.** which note is secured by a first deed of trust on the Property (the "First Deed of Trust"), and (ii) the indebtedness evidenced by a note (the "Second City Note") made by Borrower in the original principal amount of **\$353,302** payable to the City and County of San Francisco. The Second City Note represents the difference between the appraised fair market value of the Property without regard to the Restriction less the restricted purchase price of the Property and is secured by a second deed of trust on the Property (the "BMR Lien"). Any further subordination of this Note to current or future financing secured by a deed of trust on the Property shall be at the sole discretion of the Lender.
16. Sunshine Ordinance. The Borrower understands that under Section 67.24(e) of San Francisco Administrative Code, applications for financing and all other records of communications between the City and the Borrower must be open to public inspection immediately after a contract has been awarded. All information provided by Borrower which is covered by that ordinance (as it may be amended) will be made available to the public upon appropriate request.

Borrower:



Gregory Garver

DO NOT DESTROY THIS NOTE: WHEN PAID, THIS NOTE AND DEED OF TRUST SECURING THE SAME MUST BE SURRENDERED TO CITY FOR CANCELLATION BEFORE RECONVEYANCE WILL BE MADE.

**PROMISSORY NOTE SECURED BY DEED OF TRUST
Inclusionary Housing Program**

\$353,302 (Principal Amount)

San Francisco, California

Date:

12/29/08

FOR VALUE RECEIVED, the undersigned, **Gregory Garver** (Maker) hereby promises to pay to the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation (Holder), the principal sum of **Three Hundred Fifty Three Thousand Three Hundred Two and 00/100** Dollars (**\$353,302**).

1. Purchase of Dwelling Unit at Restricted Purchase Price

Maker desires to purchase a unit located at **1160 Mission Street, Unit 812, San Francisco, CA 94103** ("BMR unit"). The BMR unit shall include one parking space, designated as # (No Parking Space) (the "parking space"). The purchase price of the BMR unit, including the parking space, has been established pursuant to the following documents (collectively, the "Restriction"):

- (1) **Planning Commission Motion No.16692 and 16996**, adopted on **December 4, 2003 and April 28, 2005 respectively**;
- (2) Interest on the principal amount at the rate of 0% per annum.
- (3) A "Notice of Special Restrictions Under the City Planning Code" ("NSR") recorded in the official records of the San Francisco County on **August 21, 2006** as **Document 2006-1232677-00**;
- (4) "City and County of San Francisco Residential Inclusionary Housing Monitoring and Procedures Manual ("Procedures Manual") adopted by the San Francisco Planning Commission June 2007.

2. Calculation of Principal Amount of Note.

The original principal amount of this note is equal to **Three Hundred Fifty Three Thousand Three Hundred Two and 00/100** Dollars (**\$353,302**). This amount is equal to the appraised Fair Market Value of the BMR Unit without regard to the Restriction (**\$575,000**) less the restricted purchase price of the BMR Unit (**\$221,698**), as required by the Restriction.

3. **Interest.** No interest shall accrue on the principal balance of this note.

4. **Event of Default.**

a. Maker's failure to comply with any provision contained in the Restriction shall constitute an Event of Default under this Note; provided that if such failure concerns a rental or sublease of the BMR Unit in violation of the Restriction, such failure shall not constitute an Event of Default unless Maker fails to cure such default within thirty (30) days after the receipt of written notice from Holder. Holder's ability to cure such defaults (i.e., through the termination of a tenancy which violates the Restriction) is subject to all applicable local, state and/or federal laws to the contrary.

b. Upon the occurrence of an Event of Default, following the expiration of any applicable notice and cure periods described in Subparagraph 5(a), the entire principal balance of this Note, together with all accrued interest, shall be immediately due and payable. In addition, Holder may pursue all rights and remedies available to Holder at law or in equity.

5. **Forgiveness.** Upon a sale of the BMR unit for a resale price that is established pursuant to the documents referenced in Paragraph 1, above, the entire principal balance of this Note, together with all accrued and unpaid interest thereon, shall be forgiven, this Note shall be canceled and returned to Maker and the Deed of Trust shall be reconveyed only upon the happening of each of the following events:

a. During the period which Maker owns the BMR Unit, Maker shall have complied in all respects with the terms of the Restriction;

b. Any sale, rental or sublease of the BMR Unit must be in compliance with the terms of the

Restriction, including but not limited to the requirement that, upon any resale of the BMR Unit, the City may require prospective purchaser to execute and deliver to the Holder a note, deed of trust and grant of right of first refusal in substantially the form of this Note, Deed of Trust and Grant of Right of First Refusal with respect to purchase of Property executed by maker concurrently herewith; except that the principal amount of such Note shall reflect the difference between the resale price and fair market value of the BMR Unit at the time of such resale.

c. If the conditions in this Section 5 are not satisfied, the entire principal balance and accrued interest on this Note shall be due and payable as a condition to such sale.

d. The resale price and resale transaction of the BMR unit must include the parking space at no additional charge.

6. **Security.** Repayment of this Note is secured by a deed of trust (the "Deed of Trust"), which Deed of Trust shall be recorded in the official records of San Francisco County, California, as a lien on the BMR Unit, subject only to those exceptions to title approved in writing by Holder.

7. **Terms of Payment.**

a. All payments under this Note shall be paid in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

b. All payments shall be made payable to Holder and mailed or delivered in person to Holder's office at 1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103, or to such other place as Holder of this Note may from time to time designate.

c. Notwithstanding any other provisions of this Note, or any instrument securing the obligations of Maker under this note, if, for any reason whatsoever, the payment of any sums by Maker pursuant to the terms of this Note would result in the payment of interest which would exceed the amount that Holder may legally charge under the laws of the State of California, then amount by which payment exceeds the lawful interest rate shall automatically be deducted from the principal balance owing on this Note, so that in no event shall Maker be obligated under the terms of this Note to pay any interest which would exceed the lawful rate.

8. **Waivers.**

a. Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

b. No extension of time for payment of this Note or any installment hereof made by agreement by Holder with any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

c. The obligations of Maker under this Note shall be absolute and Maker waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.

9. **Miscellaneous Provisions**

a. All notices and consents required under this Note or the Deed of Trust shall be made in writing and shall be deemed communicated by personal delivery or by United States Mail, postage prepaid, as of the earlier of actual receipt of seven days from mailing, addressed as follows:

To Maker: **Gregory Garver**
1160 Mission Street, Unit 812
San Francisco, CA 94103

To Holder: Mayor's Office of Housing
1 South Van Ness Avenue, Fifth Floor
San Francisco, CA 94103
Attn: Inclusionary Program

b. In event of litigation arising from the enforcement of or a default under this Note or the Deed of Trust, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorney's fees, incurred by the prevailing party in such litigation.

c. This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

d. This Note shall be governed by and construed in accordance with the laws of the State of California.

e. Time is of the essence for the performance of all obligations of Maker hereunder.

10. **Termination.**

Notwithstanding the foregoing paragraph, upon foreclosure on the Property by a third party lender or other transfer of the property in lieu of foreclosure or upon an assignment to HUD of a mortgage which was made to secure Borrower's purchase of the Property, the lien of the Deed of Trust shall be extinguished if the foreclosure or other transfer recognizes any contractual or legal rights of the City and the Maker to take actions that would avoid the lien of the Deed of Trust to be extinguished. However, this Note, the Deed of Trust and Maker's obligations hereunder shall be revived according to their original terms if, following any foreclosure or transfer in lieu of foreclosure, the owner of record before the foreclosure or transfer or assignment, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the Property.

Buyer(s)

Signature: Greg Garver
Gregory Garver

Signature: _____

Signature: _____

Signature: _____

(Please add additional lines if necessary)

(THIS DOCUMENT MUST BE NOTARIZED)


State of California

County of San Francisco

On 29th day of December, 2008 before me, Sharon Chan a Notary Public, personally appeared Gregory Garver, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: 

Name: Sharon Chan
(typed or printed)



(Seal)


FRFE RECORDING REQUESTED PURSUANT TO GOV. CODE SECTION 2736.

RECORDING REQUESTED BY:

City and County of San Francisco
Mayor's Office of Housing

WHEN RECORDED MAIL TO:

Mayor's Office of Housing of the
City and County of San Francisco
1 South Van Ness Avenue, Fifth
San Francisco, California 94103
Attention: Inclusionary Program


San Francisco Assessor-Recorder
Phil Ting, Assessor-Recorder
DOC- 2008-1703369-00
Acct 21-Mayor's Office of Housing Development
Wednesday, DEC 31, 2008 12:40:15
Ttl Pd \$0.00 Rcpt # 0003597856
REEL J798 IMAGE 0379
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ORK-0270071598C

Space Above This Line for Recorder's Use

Lot: 110; Block: 370

1160 Mission St, #812
SF, CA 94103

DEED OF TRUST AND ASSIGNMENT OF RENTS

This Deed of Trust, made this day December 29th, 2008 between, **Gregory Garver** herein called TRUSTOR, whose address is **1160 Mission Street, Unit 812, San Francisco, CA 94103**; **Old Republic Title Company**, herein called TRUSTEE; and THE CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, herein called BENEFICIARY, witnesseth: that Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that real property situated in the City and County of San Francisco, State of California, described in Exhibit A attached hereto and made a part thereof.

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Beneficiary by paragraph (10) of the provisions incorporated herein by reference to collect and apply such rents, issues and profits.

For the Purpose of Securing: 1. The promissory note executed by Trustor in favor of Beneficiary, each dated of even date herewith, and performance of agreement of Trustor incorporated by reference or contained herein. 2. Payment of the indebtedness evidenced by the aforesaid promissory note in the principal amount not to exceed **Three Hundred Fifty Three Thousand Three Hundred Two and 00/100 Dollars (\$353,302)**. Payment of such further sums as the then record owner of said property hereafter may borrow from Beneficiary, when evidenced by another note (or notes) reciting it is so secured.

To protect the Security of This Deed of Trust, Trustor Agrees: By the execution and delivery of this Deed of Trust and the note secured hereby, that provisions (1) to (14), inclusive, of the fictitious deed of trust recorded in the office of the Recorder of the City and County of San Francisco on October 23, 1961 in Book A-332 of Official Records, at page 905, hereby are adopted and incorporated herein and made a part hereof as fully as though set forth herein at length; that he will observe and perform said provisions; and that the references to property, obligations, and parties in said provisions shall be construed to refer to the property, obligations, and parties set forth in this Deed of Trust.

In the event of default by the Trustor under this Deed of Trust, or if the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, alienated or refinanced by the Trustor, or by the operation of law or otherwise, without the written consent of the Beneficiary hereof, all obligations secured by this instrument irrespective of the maturity dates expressed therein, at the option of the Beneficiary

hereof and without demand or notice shall immediately become due and payable.
The undersigned Trustor requests that a copy of any Notice of Default and of any Notice
of Sale hereunder be mailed to him at his address herein before set forth.

TRUSTOR(S):

Buyer(s)

Signature: _____
Gregory Garver



Signature: _____

Signature: _____

Signature: _____

(Please add additional lines if necessary)

(THIS DOCUMENT MUST BE NOTARIZED)

State of California

County of San Francisco

On 29th day of December, 2008 before me, Sharon Chan a Notary Public, personally appeared Gregory Garver, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in ~~his~~/her/their authorized capacity(ies), and that by ~~his~~/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:  _____

Name: Sharon Chan
(typed or printed)



(Seal)

EXHIBIT A

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Parcel One:

Condominium Unit 812 (Lot No. 112) of Parcel A of Parcel Map of 1160 Mission Street, filed May 4, 2007, in Book 100 of Condominium Maps, Pages 113-115 inclusive, as such Unit is shown on the Condominium Plan ("Plan"), recorded November 21, 2007, Series No. 2007-I 491992-00, Official Records and defined in the Declaration of Covenants and Restrictions for Soma Grand Residences ("Declaration"), recorded November 21, 2007, Series No. 2007-I 491994-00, Official Records, and any amendments and/or annexations recorded pursuant thereto.

Parcel Two:

An undivided .294% interest as Tenant In Common in and to the Residential Common Area lying within the above referenced Parcel Map of 1160 Mission Street, as shown on the Plan and defined in the Declaration, excepting and reserving therefrom the following:

- A.) All condominium units shown on the Plan and described in the Declaration.
- B.) Exclusive Use Common Areas for possession, use and enjoyment of those areas designated on the Plan and defined in the Declaration.
- C.) Non-exclusive easement for use, enjoyment, ingress, egress and support in and to the Residential Common Area as shown on the Plan and described in the Declaration.
- D.) All easements as defined in the Declaration and in Article 2 of the Soma Grand Declaration of Covenants, Conditions and Restrictions and Reciprocal Easement Agreement ("REA"), recorded November 21, 2007, Series No. 2007-I 491993-00 Official Records.

Parcel Three:

Non-exclusive easements for use, enjoyment, ingress, egress and support in and to the Residential Common Area, as shown on the Plan and described in the Declaration, for the benefit of Parcel One hereinabove.

Parcel Four:

All easements as described in Article 2 of said REA.

Being Assessor's Lot 112; Block 3702

ORTC 0027007459SC
Lot 112; Block 3702
1160 Mission St. #82

Free Recording Requested Pursuant to
Government Code Section 27383

When recorded, mail to:
Mayor's Office of Housing of the
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn.: Chandra Egan

BMR-DALP Loan # BMR-08-1025



San Francisco Assessor-Recorder
Phil Ting, Assessor-Recorder
DOC- 2008-I703374-00

Acct 21-Mayor's Office of Housing Development
Wednesday, DEC 31, 2008 12:40:51

Ttl Pd \$0.00 Rcpt # 0003597861
REEL J798 IMAGE 0384
ogi/GG/1-9

Space above This Line for Recorder's Use

DEED OF TRUST AND ASSIGNMENT OF RENTS

Residential Inclusionary Housing Below Market Rate Downpayment Assistance Loan Program (BMR DALP)

THIS DEED OF TRUST AND ASSIGNMENT OF RENTS ("Deed of Trust") is made as of 12/29/08, by **Gregory Garver** ("Borrower" or "Borrowers") to **Old Republic Title Company** ("Trustee") for the benefit of the City and County of San Francisco, a municipal corporation, whose address is c/o Mayor's Office of Housing, 1 South Van Ness Avenue, 5th Floor, San Francisco, California 94103 ("Lender"). This Deed of Trust is being made in accordance with the City's Below Market Rate (BMR) Downpayment Assistance Loan Program (BMR DALP). Borrower represents and warrants that, as of the date of this Note, Borrower qualifies as a low-income household as determined by the California Department of Housing and Community Development.

Borrower owes Lender the principal sum of **Thirty Three Thousand Two Hundred Fifty Five (\$ 33,255)**. This debt (the "City Loan") is evidenced by Borrower's note ("Note") dated the same date as this Deed of Trust and executed by Borrower. Capitalized terms used in this Deed of Trust and not defined shall have the meanings set forth in the Note. The Note provides for payment of the principal amount of the Note, together with a Share of Appreciation (as defined in the Note) on the Maturity Date.

In addition to the City Loan, the Borrower obtained: (i) a secured loan (the "First Deed of Trust Loan") from **JP Morgan Chase Bank, N.A.** (the "First Lien Holder"), which loan is secured by a first deed of trust lien on the Property (the "First Deed of Trust"), and (ii) a secured loan from the City and County of San Francisco evidenced by a note made by Borrower, representing the difference between the appraised fair market value of the Property without regard to the Restriction (as defined in Section 5 herein) less the restricted purchase price of the Property, which note is secured by a second deed of trust on the Property (the "BMR Lien"). The documents evidencing or securing the First Deed of Trust Loan are collectively referred to herein as the First Deed of Trust Loan Documents. The First Deed of Trust and the BMR Lien shall collectively be referred to herein as the "Senior Liens."

This Deed of Trust secures to Lender: (a) the repayment of the debt evidenced by the Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest as provided in the Note, advanced under Section 8 of this Deed of Trust to protect the security of this Deed of Trust; (c) payment of all other sums advanced by Lender to Borrower when evidenced by an instrument stating that those sums are secured by this Deed of Trust; and (d) the performance of Borrower's covenants and agreements under this Deed of Trust and the Note.

1. **Grant in Trust.** For valuable consideration, Borrower irrevocably grants and transfers and assigns to Trustee, in trust, with power of sale, subject to the rights of the First Lien Holder under the First Deed of Trust and to the rights of Lender under the BMR Lien, the real property located in San Francisco County, California, which has the address of 1160 Mission Street, Unit 812, San Francisco, CA 94103 and is further described in Exhibit A attached hereto;

TOGETHER WITH all the improvements now or hereafter erected on the property; all easements, appurtenances, and fixtures now or hereafter a part of the property; all replacements of and additions to the Property; and all rents, issues and profits from the property, subject to Trustor's right to collect and retain the same as they become due and payable so long as there is no existing default hereunder. All of the foregoing is referred to in this Deed of Trust as the "Property."

2. **Title.** Borrower covenants that Borrower holds fee title to the Property and has the right to grant and convey

the Property and, except for the First Deed of Trust, BMR Lien, and other encumbrances of record acceptable to the First Lien Holder and the Lender, the Property is unencumbered. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to such encumbrances of record.

3. **Payment of Principal and Shared Appreciation; Prepayment and Late Charges.** Borrower shall promptly pay when due all amounts evidenced by the Note. Borrower shall have the right, without any prepayment charge, to prepay the principal amount of the Note, together with the Share of Appreciation and any default interest that may be due, provided that such prepayment is in full and not in part.

4. **Prior Deeds of Trust; Charges; Liens.**

a. The Borrower shall perform all of the Borrower's obligations under the Senior Liens, including Borrower's covenants to make payments when due. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Deed of Trust, and leasehold payments or ground rents, if any. Borrower shall pay these obligations directly and on time to the person or entity owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

b. Except for the Senior Liens, Borrower shall promptly discharge any other lien which shall have attained priority over this Deed of Trust unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which, in the Lender's sole discretion, operate to prevent the enforcement of the lien; or (c) obtains from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Deed of Trust. Except for the Senior Liens, if Lender determines that any part of the Property is subject to a lien which may attain priority over this Deed of Trust, Lender may give Borrower a notice identifying the lien. Borrower shall discharge such lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. **Subordination.**

a. Lender and Borrower acknowledge and agree that this Deed of Trust is subject and subordinate in all respects to the liens, terms, covenants and conditions of the Senior Liens, and to all advances heretofore made or which may hereafter be made pursuant to the Senior Liens, including all sums advanced for the purpose of protecting or further securing the liens of the Senior Liens, curing defaults by the Borrower under the Senior Liens or for any other purpose expressly permitted by the Senior Liens. Notwithstanding the foregoing, in the event of a foreclosure or deed in lieu of foreclosure under the First Deed of Trust, any provisions set forth in the Restriction (as defined below), this Deed of Trust, or in any other collateral agreement that restrict the use of the Property to low or moderate income households or otherwise restrict the Borrower's ability to sell the Property shall remain in full force and effect on subsequent owners or purchasers of the Property. For the purposes of this Deed of Trust, the "Restriction" shall mean the requirements set forth in: (i) Planning Code § 315, (ii) the Planning Commission Motion No. **16692 and 16996** adopted on **December 4, 2003 and April 28, 2005 respectively**, (iii) the "Notice of Special Restrictions Under the City Planning Code" recorded in the Official Records of San Francisco County on **August 21, 2006** as Document No. **2006-I232677-00** and (iv) the City and County of San Francisco Inclusionary Housing Monitoring and Procedures Manual issued by the San Francisco Planning Commission applicable to the Property

b. Further, if the First Lien Holder acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Deed of Trust shall automatically terminate upon the First Lien Holder's acquisition of title, provided that (i) the Lender has been given written notice of a default under the First Deed of Trust and (ii) the Lender shall not have cured the default under the First Deed of Trust, or diligently pursued curing the default as reasonably determined by the First Lien Holder, within 90 days from the date of notice sent to the Lender.

6. **Hazard or Property Insurance.**

a. Borrower shall keep the improvements now existing or hereafter erected on the Property insured on an all-risk form, excluding earthquake and flood, for one hundred percent (100%) of the replacement value, with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, and at Borrower's cost which shall be added to the Principal Amount and secured by this Deed of Trust, obtain coverage to protect Lender's rights in the Property in accordance with Section 8.

b. All insurance policies and renewals, including the issuer of such policies, shall be acceptable to Lender and shall include a standard mortgagee clause. All requirements hereof pertaining to insurance shall be deemed satisfied if the Borrower complies with the insurance requirements under the First Deed of Trust. All original policies of insurance required pursuant to the First Deed of Trust may be held by the First Lien Holder; provided, however, Lender shall be named as a loss payee as its interest may appear and shall be named as an additional insured. If Lender requires, Borrower shall promptly give to Lender copies of all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier, the First Lien Holder and Lender. Lender may make proof of loss if not made promptly by the First Lien Holder or the Borrower.

c. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not impaired as determined by Lender in its sole discretion. If the restoration or repair is not economically feasible or Lender's security would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days from the date of a written notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Deed of Trust, whether or not then due. The 30-day period will begin when the notice from Lender that the insurance carrier has offered to settle a claim is given.

d. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in the Note or change the amount of the payments. If under Section 21 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Deed of Trust immediately prior to the acquisition.

e. Notwithstanding the above, the Lender's rights to collect and apply the insurance proceeds hereunder shall be subject and subordinate to the rights of the First Lien Holder to collect and apply such proceeds in accordance with the First Deed of Trust.

7. **Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application: Leaseholds.**

a. Borrower shall have sixty (60) days from execution of this Deed of Trust to occupy, establish, and use the Property as Borrower's principal residence. Except as otherwise expressly permitted by the Restriction, Borrower shall continue to occupy the residence as his or her principal residence. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default under this Deed of Trust if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's reasonable judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Deed of Trust. Borrower may cure such a default and reinstate Borrower's obligations, as provided in Section 21, by causing the action or proceeding to be dismissed with a ruling that, in Lender's reasonable determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Deed of Trust or Lender's security interest.

b. Borrower shall also be in default under this Deed of Trust if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the Loan evidenced by the Note, including, but not limited to, representations concerning (1) Borrower's intent to occupy the Property as a principal residence; (2) Borrower's income; (3) Borrower's eligibility as a first time homebuyer under the requirements of the BMR Program; (4) Borrower's completion of an approved Homebuyer Education Course, and (5) Borrowers household size and composition.

c. The Borrower acknowledges that this Property is subject to certain use and occupancy restrictions which are evidenced by the Restriction, generally limiting the Property's use to low and

moderate income housing as further described in the Restriction. The Restriction also requires Borrower to occupy and use the Property as Borrower's principal residence and prohibit the Borrower from renting the Property at any time, except with under limited circumstances set forth in the Restriction. Any violation of the Restriction by Borrower shall be deemed a default hereunder.

8. Protection of Lender's Rights in the Property.

a. If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Deed of Trust (including sums secured by the First Deed of Trust), appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this Section 8, Lender is not required to do so.

b. Any amounts disbursed by Lender under this Section 8 shall become additional debt of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, these amounts shall become a part of the Principal Amount of the Loan for the purpose of calculating the Share of Appreciation due to the Lender under the Note.

c. Prior to taking any actions under this Section 8, however, Lender shall notify the First Lien Holder of such default in the manner provided in Section 21, and shall provide the First Lien Holder with the opportunity to cure any such default under this Deed of Trust within the time period provided for in Section 22 herein. All amounts advanced by the First Lien Holder to cure a default hereunder shall be deemed advanced by the First Lien Holder and shall be secured by the First Deed of Trust in accordance with the First Loan Documents. In addition, the Lender agrees that it will not commence foreclosure proceedings or accept a deed in lieu of foreclosure, or exercise any other rights or remedies hereunder until it has given the First Lien Holder at least 60 days' prior written notice. Borrower acknowledges that any action by Lender hereunder to foreclose or accept a deed in lieu of foreclosure may, at Lender's option, be subject to any "due on sale" provisions of the First Deed of Trust.

d. Lender and Borrower further agree that a default hereunder shall constitute a default under the First Deed of Trust. In the event of a default hereunder, following any applicable notice and cure periods, the First Lien Holder shall have the right to exercise all rights and remedies under the First Deed of Trust.

9. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

10. Condemnation.

a. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of the First Deed of Trust and the BMR Lien.

b. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Deed of Trust immediately before the taking, unless Borrower and Lender otherwise agree in writing, the Lender shall receive payment of the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower, and the amount secured by this Deed of Trust shall be reduced by the amount paid to the Lender. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Deed of Trust whether or not the sums are then due.

c. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust, whether or not then due.

d. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of payments under the Note or change the amount of such payments.

11. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Any extension of the time for payment or modification or amortization of the sums secured by this Deed of Trust granted by Lender to Borrower or Borrower's successors in interest shall not operate to release the liability of the Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. **Joint and Several Liability.** In the event more than one individual or entity executes this note as a Borrower, then each Borrower's covenants and agreements shall be joint and several.

13. **Loan Charges.** If the Loan secured by this Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower.

14. **Notices.** All notices required by this Deed of Trust shall be made in writing, and shall be deemed communicated by personal delivery or by United States mail, postage prepaid (unless applicable law requires use of another method), as of the earlier of actual receipt or three days from mailing, addressed as follows:

To Lender: Director
Mayor's Office of Housing
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

To Borrower: At the Property Address in Section 1

To the First Lien Holder: JP Morgan Chase Bank, N.A.
560 Mission Street, Suite 400
San Francisco, CA 94105

or such other address as either Lender, Borrower or First Lien Holder may designate, from time to time, by written notice sent to the others in like manner.

15. **Governing Law; Severability.** This Deed of Trust shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision. To this end the provisions of this Deed of Trust and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be given one copy of the Note and a confirmed copy of this Deed of Trust.

17. **Transfer of the Property or a Beneficial Interest in Borrower.**

a. Except for a conveyance to the trustee under the First Deed of Trust or BMR Lien, and except as permitted under the Note, if all or any part of the Property or any interest in it is sold, transferred or encumbered (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Deed of Trust.

b. If Lender exercises its option under Subsection (a), Lender shall give Borrower and the First Lien

Holder prior written notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Deed of Trust. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Deed of Trust without further notice or demand on Borrower.

c. Notwithstanding Lender's right to invoke any remedies hereunder, as provided in Section 8 above, Lender agrees that it will not commence foreclosure proceedings or accept a deed in lieu of foreclosure, or exercise any other rights or remedies hereunder until it has given the First Lien Holder at least 60 days' prior written notice.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions specified below, Borrower shall have the right to have enforcement of this Deed of Trust discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Deed of Trust; or (b) entry of a judgment enforcing this Deed of Trust. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Deed of Trust and the Note as if no acceleration had occurred; (b) cures any default; (c) pays all expenses incurred by Lender in enforcing this Deed of Trust, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Deed of Trust, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unchanged. Upon reinstatement by Borrower, this Deed of Trust and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 21.

19. **Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Deed of Trust) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects payments due under the Note and this Deed of Trust. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with Section 14 above and applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any other information required by applicable law.

20. **Hazardous Substances.**

a. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances (as defined below) on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law (as defined below). The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

b. Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Prior to taking any such remedial action, however, the Borrower shall notify the Lender and the First Lien Holder that such remedial action is necessary and shall obtain the First Lien Holder's prior written consent for such remedial action.

As used in this Section 20, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this Section 20, "Environmental Law" means federal, state or local laws that relate to health, safety or environmental protection.

21. **Borrower's Default**

a. **Failure to Pay as Required.** If Borrower fails to pay any amount due hereunder or under the Note when due, Borrower will be in default under this Deed of Trust.

b. **Non-Monetary Default.** If Borrower fails to perform any of the terms, covenants or obligations under this Deed of Trust or the Note, or if any representation or warranty made by Borrower under this Deed of Trust or the Note proves to have been incorrect in any material respect when made, Borrower shall be in default under this Deed of Trust.

c. **Cross-Default.** If Borrower is in default with respect to any other funding obligation for the Property,

including but not limited to the Restriction, the First Deed of Trust Loan, and the BMR Lien, and the default remains uncured following the expiration of any applicable cure periods, Borrower will be in default under this Deed of Trust.

22. Acceleration; Remedies.

a. Lender shall give notice to Borrower and the First Lien Holder prior to acceleration following Borrower's default in this Deed of Trust. The notice shall specify: (i) the default; (ii) the action required to cure the default; (iii) a date, not less than 30 days from the date the notice is given to Borrower (and with respect to the First Lien Holder, 60 days from the date the notice is given to the First Lien Holder), by which the default must be cured; and (iv) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale.

b. If the default is not cured by the Borrower on or before the date specified in the notice, and the First Lien Holder has not exercised its right to cure the default, then Lender at its option may require immediate payment in full of all sums secured by this Deed of Trust without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Notwithstanding Lender's right to invoke any remedies hereunder, as provided in Section 8 above, the Lender agrees that it will not commence foreclosure proceedings or accept a deed in lieu of foreclosure, or exercise any other rights or remedies hereunder until it has given the First Lien Holder at least 60 days' prior written notice. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 21, including, but not limited to, reasonable attorneys' fees.

c. If Lender invokes the power of sale, Lender or Trustee shall mail copies of a notice of sale in the manner prescribed by applicable law to Borrower, the First Lien Holder and to the other persons prescribed by applicable law. Trustee shall give notice of sale by public advertisement for the time and in the manner prescribed by applicable law. Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder for cash at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property to any later time on the same date by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

d. Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (i) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (ii) to all sums secured by this Deed of Trust; and (iii) any excess to the person or persons legally entitled to it.

23. Release. Upon payment of all sums secured by this Deed of Trust, Lender shall reconvey this Deed of Trust without charge to Borrower. Borrower shall pay any recordation costs.

24. Substitute Trustee. Lender, at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder by an instrument recorded in the county in which this Deed of Trust is recorded. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

BY SIGNING BELOW, the Borrower accepts and agrees to the terms and covenants contained in this Deed of Trust.

Borrower: 
Signature – Gregory Garver

Signature -

(ALL SIGNATURES MUST BE NOTARIZED)

State of California

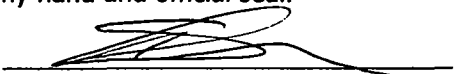
County of San Francisco

On 29th day of December, 2008 before me, Sharon Chan a Notary Public, personally appeared Gregory Garver, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in ~~his~~/her/their authorized capacity(ies), and that by ~~his~~/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____



Name: Sharon Chan
(typed or printed)



(Seal)

EXHIBIT A

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Parcel One:

Condominium Unit 812 (Lot No. 112) of Parcel A of Parcel Map of 1160 Mission Street, filed May 4, 2007, in Book 100 of Condominium Maps, Pages 113-115 inclusive, as such Unit is shown on the Condominium Plan ("Plan"), recorded November 21, 2007, Series No. 2007-I 491992-00, Official Records and defined in the Declaration of Covenants and Restrictions for Soma Grand Residences ("Declaration"), recorded November 21, 2007, Series No. 2007-I 491994-00, Official Records, and any amendments and/or annexations recorded pursuant thereto.

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- C.) Non-exclusive easement for use, enjoyment, ingress, egress and support in and to the Residential Common Area as shown on the Plan and described in the Declaration.
- D.) All easements as defined in the Declaration and in Article 2 of the Soma Grand Declaration of Covenants, Conditions and Restrictions and Reciprocal Easement Agreement ("REA"), recorded November 21, 2007, Series No. 2007-I 491993-00 Official Records.

Parcel Three:

Non-exclusive easements for use, enjoyment, ingress, egress and support in and to the Residential Common Area, as shown on the Plan and described in the Declaration, for the benefit of Parcel One hereinabove.

Parcel Four:

All easements as described in Article 2 of said REA.

Being Assessor's Lot 112; Block 3702

FREE RECORDING REQUEST PURSUANT TO GOV. CODE SECTION 91303

RECORDING REQUESTED BY:

City and County of San Francisco
Mayor's Office of Housing

WHEN RECORDED MAIL TO:

Mayor's Office of Housing of the
City and County of San Francisco
1 South Van Ness Avenue, Fifth Floor
San Francisco, California 94103
Attention: Inclusionary Program



San Francisco Assessor-Recorder
Phil Ting, Assessor-Recorder
DOC- 2008-I703372-00

Acct 21-Mayor's Office of Housing Development
Wednesday, DEC 31, 2008 12:40:37
Ttl Pd \$0.00 Rcpt # 0003597859
REEL J798 IMAGE 0382
ogi/GG/1-3

14
①

OPT-020700775900
Lot: 112; Block: 372
1160 Mission St.
#812
SF, CA 94113

Space Above This Line for Recorder's Use

ACKNOWLEDGEMENT OF SPECIAL USE RESTRICTION AND RESIDENCE ELEMENT

Gregory Garver (Purchaser) intend to purchase 1160 Mission Street, Unit 812, San Francisco, CA 94103 ("the BMR Unit") of that certain real property situated in the City and County of San Francisco, State of California, more particularly described as follows ("the property").

[See Attached Legal Description Exhibit A]

Purchaser acknowledges the receipt of the Notice of Special Restrictions under the City Planning Code ("NSR") recorded in the Official Records of San Francisco County against said property on August 21, 2006 as Document #2006-I232677-00.

The NSR includes San Francisco Planning Commission Motion 16692 and 16996 (the "Motion") adopted December 4, 2003 and April 28, 2005 respectively. A copy of the NSR is attached hereto as Exhibit B.

Purchaser acknowledges receipt of the City and County of San Francisco Residential Inclusionary Affordable Housing Program Monitoring and Procedures Manual 2007 ("Procedures Manual") adopted by the Planning Commission on June 2007.

Purchaser acknowledges and agrees that the BMR unit shall remain subject to the NSR and the Procedures Manual. In the event of any inconsistency between the NSR and the Procedures Manual, the NSR shall control.

A copy of the BMR Affidavit is attached hereto as Exhibit C.

A copy of the Conflict of Interest Affidavit is attached hereto as Exhibit D.

Dated: December 29th, 2008

Buyer(s)
Signature: Greg Garver
Gregory Garver

Signature: _____

Signature: _____

Signature: _____

(Please add additional lines if necessary) (THIS DOCUMENT MUST BE NOTARIZED)

State of California

County of San Francisco

On 29th day of December, 2008 before me, Sharon Chan a Notary Public, personally appeared Gregory Garver, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:  _____

Name: Sharon Chan
(typed or printed)



(Seal)

EXHIBIT A

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

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- D.) All easements as defined in the Declaration and in Article 2 of the Soma Grand Declaration of Covenants, Conditions and Restrictions and Reciprocal Easement Agreement ("REA"), recorded November 21, 2007, Series No. 2007-I 491993-00 Official Records.

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Non-exclusive easements for use, enjoyment, ingress, egress and support in and to the Residential Common Area, as shown on the Plan and described in the Declaration, for the benefit of Parcel One hereinabove.

Parcel Four:

All easements as described in Article 2 of said REA.

Being Assessor's Lot 112; Block 3702

**City and County of San Francisco
Residential Inclusionary Affordable Housing Below-Market-Rate (BMR) Program**

BMR AFFIDAVIT

I, the undersigned, am purchasing the property at 1160 Mission, Unit 812, San Francisco, California 94103. I understand that this unit is restricted by the City and County of San Francisco for the purpose of assisting low- to moderate-income first-time homebuyers.

I affirm the following:

1. I am a first time homebuyer in that I have not held title to any property in the past three (3) years.
3. The number of people who will occupy the property is 1.
4. I will occupy and remain in the home as my principal place of residence within sixty (60) days of the close of escrow.
5. I understand that I cannot change or amend the title to my unit without permission from the Mayor's Office of Housing or its successor.
6. I understand that any first parking space purchased with my unit must be resold with my unit upon resale as a part of the maximum below-market-rate price that is set by the Mayor's Office of Housing or its successor and that any first parking space purchased after the closing of my unit must also be sold with my unit upon resale within the maximum below-market-rate price that is set by the Mayor's Office of Housing or its successor.
7. Upon resale, I understand that my unit will be repriced based on the change in Median Income from the date on which I purchased my unit to the date on which I will sell my unit.
8. I understand that only approved and eligible capital improvements made after the unit is 10 years old may be added on to the resale price of my unit.
9. I understand that I cannot rent my property in part or whole without written approval from the Mayor's Office of Housing or its successor and that I must remain in compliance with the guidelines set forth in the City and County of San Francisco Residential Inclusionary Affordable Housing Program Monitoring and Procedures Manual.

Date: December 29th, 2008

Buyer(s)

Signature: Greg Garver
Gregory Garver

Signature: _____

Signature: _____

Signature: _____

(Please add additional lines if necessary)

**City and County of San Francisco
Residential Inclusionary Affordable Housing Below-Market-Rate (BMR)
Program**

CONFLICT OF INTEREST AFFIDAVIT

I, the undersigned, am purchasing the property at FFZ #8 1160 Mission St
Unit 812, San Francisco, California 94103. I understand that this property
is restricted by the City and County of San Francisco for the purpose of assisting
low- to moderate-income first-time homebuyers.

As a condition of purchase and in compliance with the requirements of the
Procedures Manual published by the Department of City Planning and approved
by the San Francisco Planning Commission in June 2007 (Section K - Conflict of
Interest), I certify that no member of the household who will be residing in the
property is an employee, director, or officer of any of the following, or a family
member of any employee, director, or officer of any of the following:

- The project sponsor or its agents, including the sales agent;
- The project architect or its agents;
- The project attorney or its agents;
- The prime contractor or its agents.

The undersigned each executes this Affidavit, subject to penalties of perjury, and
certifies that the foregoing is true and correct in all respects.

Buyer(s)

Signature: Greg Garver
Gregory Garver

Signature: _____

Signature: _____

Signature: _____


(Please add additional lines if necessary)

FREE RECORDING REQUESTED PURSUANT
TO GOV. CODE SECTION 07383

15
①

RECORDING REQUESTED BY:
City and County of San Francisco
Mayor's Office of Housing

AND WHEN RECORDED MAIL T
Mayor's Office of Housing
1 South Van Ness Avenue, Fifth F
San Francisco, CA 94103
Attention: Inclusionary Program



San Francisco Assessor-Recorder
Phil Ting, Assessor-Recorder
DOC- 2008-I703371-00
Acct 21-Mayor's Office of Housing Development
Wednesday, DEC 31, 2008 12:40:26
Ttl Pd \$0.00 Rcpt # 0003597858
REEL J798 IMAGE 0381
ogi/GG/1-4

OPTC 022700759JC
Lot 112; Block 3402
1160 Mission St, #812
SF, CA 94103

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT OF RIGHT OF FIRST REFUSAL
WITH RESPECT TO PURCHASE OF PROPERTY
Inclusionary Housing Program**

This Grant of Right of First Refusal is made on December 29th, 2008 by Gregory Garver "Buyer" of 1160 Mission Street, Unit 812, San Francisco, CA 94103 ("the Property"), to the City and County of San Francisco, through the Director, Mayor's Office of Housing, 1 South Van Ness Avenue, Fifth Floor, San Francisco, CA 94103 or its designated agent (hereinafter "City").

a. The property is more particularly as follows:

See Exhibit "A" attached hereto and made a part hereof.

b. The Property is subject to the requirements of Planning Commission in compliance with the Planning Code 315 and recorded under the Notice of Special Restrictions on August 21, 2006 as Document 2006-I232677-00 and requires, among other things, that the Property be made available at a specified purchase price to a buyer whose income level does not exceed a specified percentage of the median income for the San Francisco area. These restrictions have enabled the buyer to purchase the unit.

In consideration for the Buyer's ability to purchase the property at less than its fair market value Buyer agrees as follows:

1. If Buyer desires to sell the above-described Property, Buyer shall notify the Mayor's Office of Housing ("MOH") or its successor of the intended. If Buyer receives from a third party (the "Proposed Purchaser") a bona fide offer for the purchase thereof, Buyer shall disclose the terms of such offer to the City, in writing, within 10 days following the receipt of the offer by Buyer.
2. City shall have 45 days after receiving notice of the terms of the offer within which to elect to purchase the property on terms identical to those offered by the Proposed Purchaser. City shall notify Buyer within such 45-day period whether City desires to purchase the Property. Within 30 days of such notice by the City, Buyer and the City shall enter into a formal contract of sale containing all terms of the original bona fide offer made to the Buyer.
3. If the City fails to give the notice as provided in Paragraph 2 or if City fails to enter into a formal and binding contract within the 30 days set forth in Paragraph 2, Buyer may sell the Property to the Proposed Purchaser on the terms contained in the offer described in Paragraph 1. Such sale shall be subject to all requirements of the Motion including but not limited to a requirement that the Proposed Purchaser grant a right of first refusal to the City or City fails to enter into a formal and binding contract of sale within the 30 days set forth in

Paragraph 2.

4. Within 30 days of City's notice of intent to purchase as set forth in Paragraph 2, Buyer shall obtain evidence of marketable title to the property and submit the same to City for examination. Thereafter, City shall have 10 days within which to notify Buyer as to any defects in or objections to the title as so evidenced, and Buyer shall have the opportunity to remedy any such defects or objections within 10 days after City's notice to Buyer. If by the end of the last period specified, Buyer cannot show satisfactory title, City shall have the option of either (a) continuing the transaction with such contract modification as the parties may mutually agree to, or (b) rescinding the contract before the parties.
5. City shall have the right to assign its interests under this Grant of Right of First Refusal and/or to designate an individual or entity to exercise its rights under this Grant of Right of First Refusal.
6. Notwithstanding anything to the contrary set forth herein, the right of first refusal granted to the City herein shall not apply to a lender upon foreclosure of any bona fide mortgage, deed of trust or other security interest encumbering the property or deed in lieu thereof; provided however, that this Grant of Right of First Refusal shall remain in full force and effect with respect to any subsequent sale or conveyance of the Property. For purposes hereof, a "bona fide" mortgage, deed of trust or security interest shall not include an instrument under which the trustor or mortgagor is a family member of related business entity of the Buyer.
7. The rights and obligations of Buyer and City hereunder shall bind and inure to the benefit of Buyer and City and their personal representatives and successors and assigns.

Executed at San Francisco, California on this date first written above.

Buyer(s)

Signature: Greg Garver
Gregory Garver

Signature: _____

Signature: _____

Signature: _____

(Please add additional lines if necessary)

(THIS DOCUMENT MUST BE NOTARIZED)


State of California

County of San Francisco

On 29th day of December, 2008 before me, Sharon Chan a Notary Public, personally appeared Gregory Garver, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:  _____

Name: Sharon Chan
(typed or printed)



(Seal)

EXHIBIT A

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

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Non-exclusive easements for use, enjoyment, ingress, egress and support in and to the Residential Common Area, as shown on the Plan and described in the Declaration, for the benefit of Parcel One hereinabove.

Parcel Four:

All easements as described in Article 2 of said REA.

Being Assessor's Lot 112; Block 3702

Tab 2: Supplemental

RECORDING REQUESTED BY:

Old Republic Title Company

Order #: 0227613052-SC
APN #: Block 3702; Lot 112

WHEN RECORDED MAIL TO

Gregory Garver
1160 Mission Street #812
San Francisco, CA 94103

THIS IS A CERTIFIED TRUE COPY OF THE ORIGINAL

Old Republic Title Company

SPACE ABOVE THIS LINE FOR RECORDERS USE

Grant Deed

Monument Preservation Fee is \$10.00

The undersigned grantor(s) declare(s): NOT FOR PUBLIC RECORD-SEE SEPARATE DECLARATION

Documentary transfer tax is

- computed on full value of property conveyed, or
- computed on full value less of liens and encumbrances remaining at time of sale.
- Unincorporated area: City of San Francisco

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
1160 Mission Associates, LLC, a Delaware limited liability company

hereby GRANT(S) to Gregory Garver, a single man

that property in City of San Francisco, San Francisco County, State of California, described as:
See "Exhibit A" attached hereto and made a part hereof. Property commonly known as 1160 Mission Street #812,
San Francisco, CA 94103

Mail Tax Statements to Grantee at address above

Date October 02, 2007

State of California
County of San Francisco

On _____ before me,

a Notary Public in and for said State, personally appeared

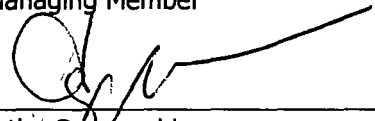
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the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

WITNESS my hand and official seal.

Signature _____

Name _____
(typed or printed)

1160 Mission Associates, LLC,
a Delaware Limited Liability Company
By: AGI-TMG MISSION, LLC
a Delaware limited liability company
Its: Administrative Member
By: TMG 1160, LLC,
a Delaware limited liability company
Its: Managing Member
By: TMG Partners,
a California corporation
Its: Managing Member

By: 
Cathy Greenwold
Its: Executive Vice President

State of California

County of San Francisco

On October 6, 2008 before me, M. Olivia Hernandez a Notary Public, personally appeared Cathy Greenwold, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature M. Olivia Hernandez

Name: M. Olivia Hernandez
(typed or printed)

(Seal)

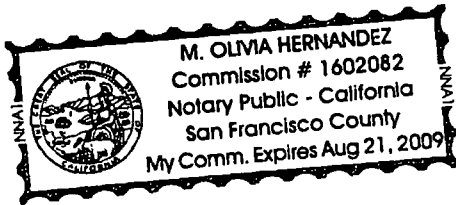


EXHIBIT A

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Parcel Four:

All easements as described in Article 2 of said REA.

Being Assessor's Lot 112; Block 3702

Recording Requested By:
Zenaida Rosales

Return To:

WAREHOUSE INTAKE
700 Kansas Lane - Mail Code:
LA4-2153
Monroe, LA 71203

**THIS IS A CERTIFIED TRUE
COPY OF THE ORIGINAL**
[Signature]
Old Republic Title Company

Prepared By:
Zenaida Rosales
560 Mission Street
Suite 400
San Francisco, 94105

[Space Above This Line For Recording Data]

*ORTC-0227007759-SC
Lot: 112; Block: 3702
1160 Mission St, #12
SF, CA 94103*

DEED OF TRUST

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

- (A) "Security Instrument" means this document, which is dated **December 26, 2008**, together with all Riders to this document.
- (B) "Borrower" is **Gregory Garver, Single Man**

Borrower's address is **351 King St APT 715, San Francisco, CA 94108**

Borrower is the trustor under this Security Instrument.

- (C) "Lender" is **JPMorgan Chase Bank, N.A.**

Lender is a **National Banking Association** organized and existing under the laws of the **United States**

1263420197

RTL12634201971123

Lender's address is **1111 Polaris Parkway, Columbus, OH 43240**

Lender is the beneficiary under this Security Instrument.

(D) "Trustee" is Commonwealth Land Title Insurance Company

(E) "Note" means the promissory note signed by Borrower and dated **December 26, 2008**

The Note states that Borrower owes Lender **One Hundred Sixty Six Thousand Two Hundred Seventy Three And Zero/100** Dollars
(U.S. \$ **166,273.00**) plus interest. Borrower has promised to pay this debt in regular Periodic

Payments and to pay the debt in full not later than **January 01, 2039**

(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(G) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

<input type="checkbox"/> Adjustable Rate Rider	<input checked="" type="checkbox"/> Condominium Rider	<input type="checkbox"/> Second Home Rider
<input type="checkbox"/> Balloon Rider	<input type="checkbox"/> Planned Unit Development Rider	<input type="checkbox"/> 1-4 Family Rider
<input type="checkbox"/> VA Rider	<input type="checkbox"/> Biweekly Payment Rider	<input type="checkbox"/> Other(s) [specify]

(I) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(J) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(K) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(L) "Escrow Items" means those items that are described in Section 3.

(M) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard

to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(Q) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the

COUNTY of **San Francisco** :

[Type of Recording Jurisdiction]

[Name of Recording Jurisdiction]

See Attached

Parcel ID Number: **112-3702**
1160 Mission St Apt 812
SAN FRANCISCO
("Property Address"):

which currently has the address of
[Street]
[City], California **94103** [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S.

currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be



in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with



the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable



attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender



to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.



16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in Borrower is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA



requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.



NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

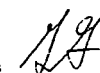
If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Lender may charge such person or persons a reasonable fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law. If the fee charged does not exceed the fee set by Applicable Law, the fee is conclusively presumed to be reasonable.

24. Substitute Trustee. Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by Applicable Law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

25. Statement of Obligation Fee. Lender may collect a fee not to exceed the maximum amount permitted by Applicable Law for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.



The undersigned Borrower requests that a copy of any Notice of Default and any Notice of Sale under this Security Instrument be mailed to the Borrower at the address set forth above. A copy of any Notice of Default and any Notice of Sale will be sent only to the address contained in this recorded request. If the Borrower's address changes, a new request must be recorded.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

_____ *Greg Garver* (Seal)
GREGORY GARVER -Borrower

_____ (Seal)
-Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

State of California
County of San Francisco

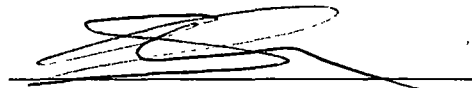
} ss.

On *December 29, 2008* before me, *Sharon Chan, a notary public*, personally appeared

Gregory Barver

, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

 (Seal)

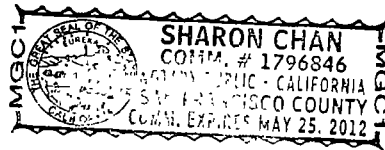


EXHIBIT A

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

Parcel One:

Condominium Unit 812 (Lot.No. 112) of Parcel A of Parcel Map of 1160 Mission Street, filed May 4, 2007, in Book 100 of Condominium Maps, Pages 113-115 inclusive, as such Unit is shown on the Condominium Plan ("Plan"), recorded November 21, 2007, Series No. 2007-I 491992-00, Official Records and defined in the Declaration of Covenants and Restrictions for Soma Grand Residences ("Declaration"), recorded November 21, 2007, Series No. 2007-I 491994-00, Official Records, and any amendments and/or annexations recorded pursuant thereto.

Parcel Two:

An undivided .294% interest as Tenant In Common in and to the Residential Common Area lying within the above referenced Parcel Map of 1160 Mission Street, as shown on the Plan and defined in the Declaration, excepting and reserving therefrom the following:

- A.) All condominium units shown on the Plan and described in the Declaration.
- B.) Exclusive Use Common Areas for possession, use and enjoyment of those areas designated on the Plan and defined in the Declaration.
- C.) Non-exclusive easement for use, enjoyment, ingress, egress and support in and to the Residential Common Area as shown on the Plan and described in the Declaration.
- D.) All easements as defined in the Declaration and in Article 2 of the Soma Grand Declaration of Covenants, Conditions and Restrictions and Reciprocal Easement Agreement ("REA"), recorded November 21, 2007, Series No. 2007-I 491993-00 Official Records.

Parcel Three:

Non-exclusive easements for use, enjoyment, ingress, egress and support in and to the Residential Common Area, as shown on the Plan and described in the Declaration, for the benefit of Parcel One hereinabove.

Parcel Four:

All easements as described in Article 2 of said REA.

Being Assessor's Lot 112; Block 3702

CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 26th day of December, 2008, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to JPMorgan Chase Bank, N.A.

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

1160 Mission St Apt 812
SAN FRANCISCO, CA 94103
[Property Address]

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

Soma Grand

[Name of Condominium Project]

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations, and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, from which Lender requires insurance, then, (i) Lender waives the provision in

1263420197

MULTISTATE CONDOMINIUM RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3140 1/01

Wolters Kluwer Financial Services

VMP®-BR (0411).01

Page 1 of 3

Initials:



RTL12634201971123

Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association, or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Condominium Rider

Greg Garver (Seal)
GREGORY GARVER -Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower



OLD REPUBLIC TITLE COMPANY

B. TYPE OF LOAN

1. FHA 2. FmHA 3. Conv. Unins. 4. VA 5. Conv. Ins. 6. File Number 0227007759-SC 7. Loan Number 1263420197 8. Mortgage Insurance Case Number

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name and Address of Borrower: Gregory Garver, 351 King Street, #725, San Francisco, CA 94108. E. Name and Address of Seller: 100 Bush Street, 26th Floor, San Francisco, CA 94104. F. Name and Address of Lender: JPMorgan Chase Bank, NA, 2633 Camino Ramon, San Ramon, CA 94583.

G. Property Location: 1160 Mission Street, Unit #812, San Francisco, CA 94103. H. Settlement Agent: Old Republic Title Company, 475 Sansome Street, Suite 1700, San Francisco, CA 94111. I. Settlement Date: 12/31/2008.

J. SUMMARY OF BORROWER'S TRANSACTION K. SUMMARY OF SELLER'S TRANSACTION

Table with 4 columns: Item, Amount, Item, Amount. Rows 100-105 (Borrower) and 400-405 (Seller).

Table with 4 columns: Item, Amount, Item, Amount. Rows 106-114 (Borrower) and 406-414 (Seller) for adjustments.

Summary rows: 120. GROSS AMOUNT DUE FROM BORROWER: 581,249.82; 420. GROSS AMOUNT DUE TO SELLER: 221,698.00.

Table with 4 columns: Item, Amount, Item, Amount. Rows 200-205 (Borrower) and 500-505 (Seller) for amounts paid/reductions.

Table with 4 columns: Item, Amount, Item, Amount. Rows 210-219 (Borrower) and 510-519 (Seller) for adjustments.

Summary rows: 220. TOTAL PAID BY/FOR BORROWER: 581,499.32; 520. TOTAL REDUCTION AMOUNT DUE SELLER: 221,698.00.

Table with 4 columns: Item, Amount, Item, Amount. Rows 300-302 (Borrower) and 600-602 (Seller) for cash at settlement.

Summary rows: 303. CASH FROM TO BORROWER: 249.50; 603. CASH TO FROM SELLER: 0.00.

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper. The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information requested does not lend itself to confidentiality.

THIS IS A CERTIFIED TRUE COPY OF THE ORIGINAL.

BY [Signature] Old Republic Title Company

L. SETTLEMENT CHARGES

700. Total sales/broker's commission based on price \$ @ % =	Paid From Borrower's Funds At Settlement	Paid From Seller's Funds At Settlement
Division of commission (line 700) as follows:		
701. \$3,879.72 to Pacific Marketing Associates		
702.		
703. Commission disbursed at settlement		3,879.72
704.		

800. ITEMS PAYABLE IN CONNECTION WITH LOAN See Attachment for Subordinate Financing Charges **353,302.00**

801. Loan Origination Fee		
802. Loan Discount		
803. Appraisal Fee		
804. Credit Report		
805. Lender's Inspection Fee		
806. Mortgage Insurance Application Fee		
807. Assumption Fee		
808. Tax Related Services to JPMorgan Chase	84.00	
809. Application fee to JPMorgan Chase \$395.00 (poc)		
810. Processing fee to JPMorgan Chase	495.00	
811. Underwriting fee to JPMorgan Chase	295.00	
812. Flood Cert to Quantrix	14.00	

900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE

901. Interest, 12/31/08 to 01/01/09, 1 days @ \$33.03	33.03	
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1000. RESERVES DEPOSITED WITH LENDER

1003. County Property Taxes 6 mo. @ \$231.0000/mo.	1,386.00	
1008. Aggregate Accounting Adjustment	0.00	

1100. TITLE CHARGES

1101. Settlement or closing fee to Old Republic Title Company	580.00	
1106. Notary Fees to Sharon Chan	60.00	
1108. Title insurance to Old Republic Title Company (includes above items numbers:) 1102, 1103, 1108, Endorsements and Additional Title Fees, if any	901.25	
1109. Lender's Coverage Liability Amount \$33,255.00 Premium \$100.00		
Lender's Coverage Liability Amount \$353,302.00 Premium \$100.00		
Lender's Coverage Liability Amount \$166,273.00 Premium \$123.75		
1110. Owner's Coverage Liability Amount \$221,698.00 Premium \$577.50		
1111. Environmental Protection Lien	25.00	

1200. GOVERNMENT RECORDING AND TRANSFER CHARGES

1201. Recording fees: Deed \$ 24.00 Mortgage \$ 64.00 Releases \$	88.00	
1202. City/county tax/stamps: Deed \$ 1,110.00 Mortgage \$	1,110.00	
1203. State tax/stamps: Deed \$ Mortgage \$		
1204. Monument Fee	10.00	
1205.		

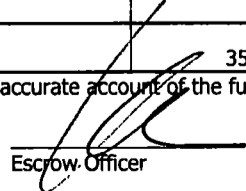
1300. ADDITIONAL SETTLEMENT CHARGES

1301.		
1302.		
1303.		
1304.		
1305.		
1306.		
1307.		
1308.		
1309.		
1310. Additional Charges (See attached)	350.25	210.00

1400. TOTAL SETTLEMENT CHARGES (enter on lines 103, Section J and 502, Section K)

	358,733.53	4,089.72
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To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of the transaction.



 Escrow Officer Date 12/31/08

Attachment to HUD Statement

NAME OF SELLER

1160 Mission Associates, LLC, a Delaware limited liability company

===== Continuation from Page1 =====

BUYER ADJUSTMENTS

SELLER ADJUSTMENTS

AMOUNTS PAID BY OR IN BEHALF OF BORROWER

DEPOSIT OR EARNEST MONEY -- LINE 201

Gregory Garver	22,013.59
Gregory Garver	4.79
Gregory H. Garver	6,650.94

PRINCIPAL AMOUNT OF NEW LOAN(S) -- LINE 202

JPMorgan Chase Bank, NA
2633 Camino Ramon
San Ramon, CA 94583
Loan No.: 1263420197
Position: 1
Principal amount 166,273.00

Mayor's Office of Housing City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Loan No.: Garver
Position: 2
Principal amount 353,302.00

Mayor's Office of Housing City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Loan No.: Garver
Position: 3
Principal amount 33,255.00

Attachment to HUD Statement

Lender Mayor's Office of Housing City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

Loan No. Garver

Subordinate Financing Charges

Item	Borrower	Seller
undisbursed funds	353,302.00	-----
Total	353,302.00	-----

Loan Policy of Title Insurance

American Land Title Association Loan Policy 6-17-06

Policy Number **A04009-LX-130572**

Issued by Old Republic National Title Insurance Company.

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 17 of the Conditions.

SOMA #812
Garver ALTA
Primary



COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13 and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records, including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
 - (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (b) failure of any person or Entity to have authorized a transfer or conveyance;
 - (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (e) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (f) a document not properly filed, recorded or indexed in the Public Records, including failure to perform those acts by electronic means authorized by law; or
 - (g) a defective judicial or administrative proceeding.

(Continued on Next Page)

Loan Policy

American Land Title Association Loan Policy 6-17-06

Policy Number A04009-LX-130572



10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
11. The lack of priority of the lien of the Insured Mortgage upon the Title
 - (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor or material arising from construction of an improvement or work related to the Land when the improvement or work is either
 - (i) contracted for or commenced on or before Date of Policy; or
 - (ii) contracted for, commenced or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
 - (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.
13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title
 - (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

Issued through the Office of:
Old Republic Title Company
524 Gibson Drive
Roseville, CA 95678

Old Republic National Title Insurance Company
400 Second Avenue South
Minneapolis, Minnesota 55401

Authorized Signatory

By

President

Attest

Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses 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 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).

SCHEDULE A

Policy No: A04009-LX-130572 **Amount of Insurance:** \$353,302.00

Order No: 0227007759-SC **Premium:** \$100.00

December 31st, 2008 at 12:40:00

Date of Policy: PM

Address Reference:

1160 Mission Street, #812
San Francisco, CA

Loan No: Garver

1. Name of Insured:

The City and County of San Francisco, a Municipal Corporation, its successors and/or assigns, as defined in Paragraph 1 of the Conditions and Stipulations of this Policy

2. The estate or interest in the Land that is encumbered by the Insured Mortgage is:

Condominium as defined in section 783 of the California Civil Code

3. Title is vested in:

Gregory Garver, a single man

4. The Insured Mortgage and its assignments, if any, are described as follows:

Deed of Trust to secure an indebtedness of the amount stated below,

Amount	:	\$353,302.00
Trustor/Borrower	:	Gregory Garver
Trustee	:	Old Republic Title Company
Beneficiary/Lender	:	The City and County of San Francisco, a Municipal Corporation
Dated	:	December 29, 2008
Recorded	:	December 31, 2008 in Official Records under Recorder's Serial Number 2008-I703373-00
Loan No.	:	Garver
Returned to	:	Attention: Inclusionary Program, 1 South Van Ness Avenue, Fifth Floor San Francisco, California 94103

5. The Land referred to in this policy is described as follows:

Parcel One:

Condominium Unit 812 (Lot No. 112) of Parcel A of Parcel Map of 1160 Mission Street, filed May 4, 2007, in Book 100 of Condominium Maps, Pages 113-115 inclusive, as such Unit is shown on the Condominium Plan ("Plan"), recorded November 21, 2007, Series No. 2007-I 491992-00, Official Records and defined in the

Declaration of Covenants and Restrictions for Soma Grand Residences ("Declaration"), recorded November 21, 2007, Series No. 2007-I 491994-00, Official Records, and any amendments and/or annexations recorded pursuant thereto.

Parcel Two:

An undivided .294% interest as Tenant In Common in and to the Residential Common Area lying within the above referenced Parcel Map of 1160 Mission Street, as shown on the Plan and defined in the Declaration, excepting and reserving therefrom the following:

- A.) All condominium units shown on the Plan and described in the Declaration.
- B.) Exclusive Use Common Areas for possession, use and enjoyment of those areas designated on the Plan and defined in the Declaration.
- C.) Non-exclusive easement for use, enjoyment, ingress, egress and support in and to the Residential Common Area as shown on the Plan and described in the Declaration.
- D.) All easements as defined in the Declaration and in Article 2 of the Soma Grand Declaration of Covenants, Conditions and Restrictions and Reciprocal Easement Agreement ("REA"), recorded November 21, 2007, Series No. 2007-I 491993-00 Official Records.

Parcel Three:

Non-exclusive easements for use, enjoyment, ingress, egress and support in and to the Residential Common Area, as shown on the Plan and described in the Declaration, for the benefit of Parcel One hereinabove.

Parcel Four:

All easements as described in Article 2 of said REA.

Being Assessor's Lot 112; Block 3702

6. This policy incorporates by reference those ALTA endorsements selected below:

- 4-06 Condominium
- 4.1-06
- 5-06 Planned Unit Development
- 5.1-06
- 6-06 Variable Rate
- 6.2-06 Variable Rate – Negative Amortization
- 8.1-06 Environmental Protection Lien Paragraph b refers to the following state statute(s): NONE
- 9-06 Restrictions, Encroachments, Minerals
- 13.1-06 Leasehold Loan
- 14-06 Future Advance-Priority
- 14.1-06 Future Advance-Knowledge
- 14.3-06 Future Advance-Reverse Mortgage
- 22-06 Location The type of improvement is a a condominium, and the street address is as shown above.

SCHEDULE B

**Part I
Exceptions From Coverage**

Except as provided in Schedule B Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorney's fees, or expenses that arise by reason of:

1. Taxes and assessments, general and special, for the fiscal year 2008 - 2009, as follows:

Assessor's Parcel No	:	LOT 112; BLOCK 3702	
Bill No.	:	121450	
Code No.	:	01-000	
1st Installment	:	\$983.24	Marked Paid
2nd Installment	:	\$983.24	NOT Marked Paid
Land Value	:	\$32,280.00	
Imp. Value	:	\$136,297.00	
Exemption	:	\$168,577.00	

2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

PAID CURRENT TO THE DATE OF THIS POLICY

3. Any special tax which is now a lien and that may be levied within the City of San Francisco Unified School District Community Facilities District No. 90-1, notice(s) for which having been recorded.

NOTE: Among other things, there are provisions in said notice(s) for a special tax to be levied annually, the amounts of which are to be added to and collected with the property taxes.

NOTE: The current annual amount levied against this land is \$0.00.

NOTE: Further information on said assessment or special tax can be obtained by contacting:

Name : San Francisco Unified School District
 Telephone No. : (415) 241-6480

4. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : NOTICE OF SPECIAL RESTRICTIONS UNDER THE PLANNING CODE
 Executed by : 1160 Mission Associates, LLC
 Dated : August 17, 2006
 Recorded : August 21, 2006 in Reel J208 of Official Records, Image 0595 under Recorder's Serial Number 2006-I232677-00

Said restrictions consist of conditions attached to Planning Commission Motions 16692, 16693 and 16696, and conditions of granting Variance Case No. 2002.0628CEKVXI.

5. The right of the City and County of San Francisco to regulate and control the sale and occupancy of said Unit as part of said authority's low and moderate income housing program, as disclosed by the Notice of Special Restrictions last above referred to.

6. Recitals shown or noted upon a map as follows:

Map Entitled : Final Map 3849, 1160 Mission Street
 Filed On : May 4, 2007 in Book 100 of Condominium Maps, at Pages 113-115 inclusive.

7. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Easement
 Granted To : Comcast of California III, Inc.
 For : to construct, use, maintain, operate, alter, add to, repair, replace, reconstruct, inspect and remove at any time and from time to time a broadband communications system.
 Dated : April 3, 2007
 Recorded : July 26, 2007 in Reel J441 of Official Records, Image 792 under Recorder's Serial Number 2007-I 428013
 Affects : Unspecified portions of said land.

8. Conditions contained and/or referred to in an instrument,

Entitled : Declaration of Use
 By : Eric Tao
 Dated : October 26, 2007
 Recorded : October 30, 2007 in Reel J507 of Official Records, Image 268
 under Recorder's Serial Number 2007-I 482132
 Which Among Other
 Things Provides : Revocable permission to occupy, construct and maintain minor
 sidewalk encroachments.

9. Conditions contained and/or referred to in an instrument,

Entitled : Declaration of Use
 By : Eric Tao
 Dated : October 26, 2007
 Recorded : October 30, 2007 in Reel J507 of Official Records, Image 269
 under Recorder's Serial Number 2007-I 482133
 Which Among Other
 Things Provides : Special Sidewalk (non-standard scoring).

10. Recitals shown or noted upon that certain Condominium Plan

Entitled : Residential Condominium Plan for SOMA GRAND, 1160 Mission Street
 Recorded : November 21, 2007 under Recorder's Serial Number 2007-I 491992.

11. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : The SOMA GRAND, Declaration of Covenants, Conditions and
 Restrictions and Reciprocal Easement Agreement, a Subdivision of
 Airspace
 Executed by : 1160 Mission Associates, LLC, a Delaware limited liability company
 Dated : November 8, 2007
 Recorded : November 21, 2007 in Official Records under Recorder's Serial
 Number 2007-I 491993

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

12. Covenants, Conditions, Restrictions, Limitations, Easements, Assessments, Reservations, Exceptions, Terms, Liens or Charges, but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : Declaration of Covenants and Restrictions for the Soma Grand Residences
 Executed By : 1160 Mission Associates, LLC, a Delaware limited liability company
 Dated : November 8, 2007
 Recorded : November 21, 2007 in Official Records under Recorder's Serial Number 2007-I 491994

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

13. Easements for ingress, egress, private rights and/or utilities and incidental purposes, as disclosed by instruments of record affecting the "Common Area".

14. Conditions contained and/or referred to in an instrument,

Entitled : Notice of Non-Adversarial Procedure, Notice to Successors in Interest, Notice of Builder's Agent for Notice Under California Civil Code Sections 912(e), 912(f) and 912(h), and Notice of Relinquishment of Control
 By : 1160 Mission Associates, LLC, a Delaware Limited Liability Company
 Dated : December 3, 2007
 Recorded : December 5, 2007 in Reel J530 of Official Records, Image 148 under Recorder's Serial Number 2007-I 497940

15. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount : \$166,273.00
Trustor/Borrower : Gregory Garver, a single man
Trustee : Commonwealth Land Title Insurance Company
Beneficiary/Lender : JPMorgan Chase Bank, N.A.
Dated : December 26, 2008
Recorded : December 31, 2008 in Official Records under Recorder's Serial
Number 2008-I703372-00
Loan No. : 1263420197
Returned to : Warehouse Intake, 700 Kansas Lane - Mail Code: LA4-2153,
Monroe, LA 71203.

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SCHEDULE B**Part II**

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

1. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount	:	\$33,255.00
Trustor/Borrower	:	Gregory Garver
Trustee	:	Old Republic Title Company
Beneficiary/Lender	:	The City and County of San Francisco, a Municipal Corporation
Dated	:	December 29, 2008
Recorded	:	December 31, 2008 in Official Records under Recorder's Serial Number 2008-I703374-00
Loan No.	:	Garver
Returned to	:	Attention: Chandra Egan, 1 South Van Ness Avenue, Fifth Floor San Francisco, California 94103

ENDORSEMENT

Attached to:
Policy No: A04009-LX-130572
Order No: 0227007759-SC



**OLD REPUBLIC NATIONAL
TITLE INSURANCE COMPANY**
a Corporation, of Minneapolis, Minnesota

The Company hereby assures the Insured that the Company will not deny liability under the policy or any endorsements issued therewith solely on the grounds that the policy and/or endorsement(s) were issued electronically and/or lack of signatures in accordance with Paragraph 14(c) of the Conditions.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

By


Validating Officer

By




President

Attest

Secretary

ENDORSEMENT

Attached to:
Policy No: A04009-LX-130572
Order No: 0227007759-SC



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY a Corporation, of Minneapolis, Minnesota

The Company insures against loss or damage sustained by reason of:

1. The existence, at Date of Policy, of any of the following:
 - (a) Covenants, conditions or restrictions under which the lien of the Insured Mortgage can be cut off, subordinated, or otherwise impaired;
 - (b) Present violations on the Land of any enforceable covenants, conditions or restrictions;
 - (c) Except as shown in Schedule B, encroachments of buildings, structures or improvements located on the Land onto adjoining lands, or any encroachments onto the Land of buildings, structures or improvements located on adjoining lands.
2. (a) Any future violations on the Land of any covenants, conditions or restrictions occurring prior to acquisition of the Title by the Insured, provided such violations result in impairment or loss of the lien of the Insured Mortgage, or result in impairment or loss of the Title if the Insured shall acquire the Title in satisfaction of the Indebtedness;
- (b) Unmarketability of the Title by reason of any violations on the Land, occurring prior to acquisition of the Title by the Insured, of any covenants, conditions or restrictions.
3. Damage to existing improvements, including lawns, shrubbery or trees
 - (a) That are located or encroach upon that portion of the Land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purposes for which the same was granted or reserved;
 - (b) Resulting from the exercise of any right to use the surface of the Land for the extraction or development of the minerals excepted from the description of the Land or shown as a reservation in Schedule B.
4. Any final court order or judgment requiring removal from any land adjoining the Land of any encroachment shown in Schedule B.

As used in this endorsement, the words "covenants, conditions or restrictions" do not refer to or include the terms, covenants, conditions or restrictions contained in any lease.

As used in this endorsement, the words "covenants, conditions or restrictions" do not refer to or include any covenant, condition or restriction (a) relating to obligations of any type to perform maintenance, repair or remediation on the Land, or (b) pertaining to environmental protection of any kind or nature, including hazardous or toxic matters, conditions or substances except to the extent that a notice of a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy and is not excepted in Schedule B.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated : December 31st, 2008

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

By Devonna Hood
Validating Officer

By

President

Attest

Secretary

ENDORSEMENT

Attached to:
Policy No: A04009-LX-130572
Order No: 0227007759-SC



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY a Corporation, of Minneapolis, Minnesota

The Company insures against loss or damage sustained by the Insured by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the Title to the unit and its common elements.
3. Present violations of any restrictive covenants that restrict the use of the unit and its common elements and that are contained in the condominium documents. The restrictive covenants do not contain any provisions that will cause a forfeiture or reversion of the Title. As used in this paragraph 3, the words "restrictive covenants" do not refer to or include any covenant, condition, or restriction (a) relating to obligations of any type to perform maintenance, repair, or remediation on the Land, or (b) pertaining to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances, except to the extent that a notice of a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy and is not excepted in Schedule B.
4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any Insured Mortgage identified in Schedule A.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements that exist at Date of Policy because of any present encroachments or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of the Title by reason of a right of first refusal, to purchase the unit and its common elements that was exercised or could have been exercised at Date of Policy.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated : December 31st, 2008

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

By *Dawnna Aod*
Validating Officer

By

President

Attest

Secretary

ENDORSEMENT

Attached to:
Policy No: A04009-LX-130572
Order No: 0227007759-SC



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY a Corporation, of Minneapolis, Minnesota

The Company insures against loss or damage sustained by reason of the failure of the dimensions of the exterior boundary of "The Common Area" referred to in Schedule A of this policy, being the exterior boundary of the project at Date of Policy, to be correctly shown on that map recorded

November 21st, 2007 in Official Records under Recorder's Serial Number 2007-I 491992-00,

in the office of the County Recorder of San Francisco County.

The Company further insures against loss or damage sustained by reason of the failure of the Title to include a a residence, within the project boundaries, which residence is designated as Unit 812, as shown on that map recorded

November 21st, 2007 in Official Records under Recorder's Serial Number 2007-I 491992-00,

in the office of the County Recorder of San Francisco County, and is known as 1160 Mission Street, #812, San Francisco, CA

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated : December 31st, 2008

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

By *Dawonna Aard*
Validating Officer

By *[Signature]* President
Attest *Daniel Wald* Secretary

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Section 10 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of:
 - (i) the amount of the principal disbursed as of Date of Policy;
 - (ii) the amount of the principal disbursed subsequent to Date of Policy;
 - (iii) the construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;
 - (iv) interest on the loan;
 - (v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law;
 - (vi) the expenses of foreclosure and any other costs of enforcement;
 - (vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;
 - (viii) the amounts to pay taxes and insurance; and,
 - (ix) the reasonable amounts expended to prevent deterioration of improvements;but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured.
- (e) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an obligor under the provisions of Section 12(c) of these Conditions;
 - i. the person or Entity who has "control" of the "transferable record," if the Indebtedness is evidenced by a "transferable record," as these terms are defined by applicable electronic transactions law;
 - ii. successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - iii. successors to an Insured by its conversion to another kind of Entity;
 - iv. a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured, or
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity;
 - F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness

secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;

- (ii) With regard to (A), (B), (C), (D), and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance or other matter insured against by this policy.
- (f) "Insured Claimant": An Insured claiming loss or damage.
- (g) "Insured Mortgage": The Mortgage described in paragraph 4 of Schedule A.
- (h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (i) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (j) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (k) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (l) "Title": The estate or interest described in Schedule A.
- (m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions. (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the lien of the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in Section 7, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation,

shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.
 - (i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or
 - (ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

- (b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.
 - (i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
 - (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of
 - (i) the Amount of Insurance,
 - (ii) the Indebtedness,
 - (iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy, or
 - (iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,
 - (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date of the claim was made by the Insured Claimant or as of the date it is settled and paid.

- (c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.
- (d) In addition to the extent of liability under (a), (b), and (c) the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

- (a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.
- (b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) **The Company's Right to Recover**
Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.
If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
- (b) **The Insured's Rights and Limitations**
 - (i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of

the Insured Mortgage.

- (ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

- (c) **The Company's Rights Against Non-insured Obligors**

The Company's right of subrogation includes the Insured's rights against non-insured obligors including the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1(e)(i)(F) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an Insured under this policy.

13. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. 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 in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. 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. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or lien of the Insured Mortgage or by any action asserting such claim, shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance.

15. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

16. CHOICE OF LAW; FORUM

- (a) **Choice of Law:** The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the lien of the Insured Mortgage that are adverse to the Insured, and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

17. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 400 Second Avenue South, Minneapolis, Minnesota 55401-2499.

Loan Policy of Title Insurance

American Land Title Association Loan Policy 6-17-06

Policy Number **A04009-LX-130573**

Issued by Old Republic National Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 17 of the Conditions.

SOMA #812
Garver ALTA JALP



COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13 and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notanzed, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records, including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
 - (a) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (b) failure of any person or Entity to have authorized a transfer or conveyance;
 - (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notanzed, or delivered;
 - (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (e) a document executed under a falsified, expired or otherwise invalid power of attorney;
 - (f) a document not properly filed, recorded or indexed in the Public Records, including failure to perform those acts by electronic means authorized by law; or
 - (g) a defective judicial or administrative proceeding.

(Continued on Next Page)

Loan Policy

American Land Title Association Loan Policy 6-17-06

Policy Number A04009-LX-130573



10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
11. The lack of priority of the lien of the Insured Mortgage upon the Title
 - (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor or material arising from construction of an improvement or work related to the Land when the improvement or work is either
 - (i) contracted for or commenced on or before Date of Policy; or
 - (ii) contracted for, commenced or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
 - (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.
13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title
 - (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

Issued through the Office of:
Old Republic Title Company
524 Gibson Drive
Roseville, CA 95678

Old Republic National Title Insurance Company
400 Second Avenue South
Minneapolis, Minnesota 55401

Authorized Signatory

By

President

Attest

Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses 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 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).

SCHEDULE A

Policy No: A04009-LX-130573 **Amount of Insurance:** \$33,255.00
Order No: 0227007759-SC **Premium:** \$100.00

Date of Policy: December 31st, 2008 at 12:40:00
PM **Address Reference:** 1160 Mission Street, #812
San Francisco, CA
Loan No: Garver

1. Name of Insured:

The City and County of San Francisco, a municipal corporation, its successors and/or assigns, as defined in Paragraph 1 of the Conditions and Stipulations of this Policy

2. The estate or interest in the Land that is encumbered by the Insured Mortgage is:

Condominium as defined in section 783 of the California Civil Code

3. Title is vested in:

Gregory Garver, a single man

4. The Insured Mortgage and its assignments, if any, are described as follows:

Deed of Trust to secure an indebtedness of the amount stated below,

Amount	:	\$33,255.00
Trustor/Borrower	:	Gregory Garver
Trustee	:	Old Republic Title Company
Beneficiary/Lender	:	The City and County of San Francisco, a Municipal Corporation
Dated	:	December 29, 2008
Recorded	:	December 31, 2008 in Official Records under Recorder's Serial Number 2008-I703374-00
Loan No.	:	Garver
Returned to	:	Attention: Chandra Egan, 1 South Van Ness Avenue, Fifth Floor San Francisco, California 94103

5. The Land referred to in this policy is described as follows:

Parcel One:

Condominium Unit 812 (Lot No. 112) of Parcel A of Parcel Map of 1160 Mission Street, filed May 4, 2007, in Book 100 of Condominium Maps, Pages 113-115 inclusive, as such Unit is shown on the Condominium Plan ("Plan"), recorded November 21, 2007, Series No. 2007-I 491992-00, Official Records and defined in the

Declaration of Covenants and Restrictions for Soma Grand Residences ("Declaration"), recorded November 21, 2007, Series No. 2007-I 491994-00, Official Records, and any amendments and/or annexations recorded pursuant thereto.

Parcel Two:

An undivided .294% interest as Tenant In Common in and to the Residential Common Area lying within the above referenced Parcel Map of 1160 Mission Street, as shown on the Plan and defined in the Declaration, excepting and reserving therefrom the following:

- A.) All condominium units shown on the Plan and described in the Declaration.
- B.) Exclusive Use Common Areas for possession, use and enjoyment of those areas designated on the Plan and defined in the Declaration.
- C.) Non-exclusive easement for use, enjoyment, ingress, egress and support in and to the Residential Common Area as shown on the Plan and described in the Declaration.
- D.) All easements as defined in the Declaration and in Article 2 of the Soma Grand Declaration of Covenants, Conditions and Restrictions and Reciprocal Easement Agreement ("REA"), recorded November 21, 2007, Series No. 2007-I 491993-00 Official Records.

Parcel Three:

Non-exclusive easements for use, enjoyment, ingress, egress and support in and to the Residential Common Area, as shown on the Plan and described in the Declaration, for the benefit of Parcel One hereinabove.

Parcel Four:

All easements as described in Article 2 of said REA.

Being Assessor's Lot 112; Block 3702

6. This policy incorporates by reference those ALTA endorsements selected below:

- 4-06 Condominium
- 4.1-06
- 5-06 Planned Unit Development
- 5.1-06
- 6-06 Variable Rate
- 6.2-06 Variable Rate – Negative Amortization
- 8.1-06 Environmental Protection Lien Paragraph b refers to the following state statute(s): NONE
- 9-06 Restrictions, Encroachments, Minerals
- 13.1-06 Leasehold Loan
- 14-06 Future Advance-Priority
- 14.1-06 Future Advance-Knowledge
- 14.3-06 Future Advance-Reverse Mortgage
- 22-06 Location The type of improvement is a a condominium, and the street address is as shown above.

SCHEDULE B

**Part I
Exceptions From Coverage**

Except as provided in Schedule B Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorney's fees, or expenses that arise by reason of:

1. Taxes and assessments, general and special, for the fiscal year 2008 - 2009, as follows:

Assessor's Parcel No	:	LOT 112; BLOCK 3702	
Bill No.	:	121450	
Code No.	:	01-000	
1st Installment	:	\$983.24	Marked Paid
2nd Installment	:	\$983.24	NOT Marked Paid
Land Value	:	\$32,280.00	
Imp. Value	:	\$136,297.00	
Exemption	:	\$168,577.00	

2. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

PAID CURRENT TO THE DATE OF THIS POLICY

3. Any special tax which is now a lien and that may be levied within the City of San Francisco Unified School District Community Facilities District No. 90-1, notice(s) for which having been recorded.

NOTE: Among other things, there are provisions in said notice(s) for a special tax to be levied annually, the amounts of which are to be added to and collected with the property taxes.

NOTE: The current annual amount levied against this land is \$0.00.

NOTE: Further information on said assessment or special tax can be obtained by contacting:

Name : San Francisco Unified School District
 Telephone No. : (415) 241-6480

4. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : NOTICE OF SPECIAL RESTRICTIONS UNDER THE PLANNING CODE
 Executed by : 1160 Mission Associates, LLC
 Dated : August 17, 2006
 Recorded : August 21, 2006 in Reel J208 of Official Records, Image 0595 under Recorder's Serial Number 2006-I232677-00

Said restrictions consist of conditions attached to Planning Commission Motions 16692, 16693 and 16696, and conditions of granting Variance Case No. 2002.0628CEKVXI.

5. The right of the City and County of San Francisco to regulate and control the sale and occupancy of said Unit as part of said authority's low and moderate income housing program, as disclosed by the Notice of Special Restrictions last above referred to.

6. Recitals shown or noted upon a map as follows:

Map Entitled : Final Map 3849, 1160 Mission Street
 Filed On : May 4, 2007 in Book 100 of Condominium Maps, at Pages 113-115 inclusive.

7. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Grant of Easement
 Granted To : Comcast of California III, Inc.
 For : to construct, use, maintain, operate, alter, add to, repair, replace, reconstruct, inspect and remove at any time and from time to time a broadband communications system.
 Dated : April 3, 2007
 Recorded : July 26, 2007 in Reel J441 of Official Records, Image 792 under Recorder's Serial Number 2007-I 428013
 Affects : Unspecified portions of said land.

8. Conditions contained and/or referred to in an instrument,

Entitled : Declaration of Use
 By : Eric Tao
 Dated : October 26, 2007
 Recorded : October 30, 2007 in Reel J507 of Official Records, Image 268
 under Recorder's Serial Number 2007-I 482132

Which Among Other
 Things Provides : Revocable permission to occupy, construct and maintain minor
 sidewalk encroachments.

9. Conditions contained and/or referred to in an instrument,

Entitled : Declaration of Use
 By : Eric Tao
 Dated : October 26, 2007
 Recorded : October 30, 2007 in Reel J507 of Official Records, Image 269
 under Recorder's Serial Number 2007-I 482133

Which Among Other
 Things Provides : Special Sidewalk (non-standard scoring).

10. Recitals shown or noted upon that certain Condominium Plan

Entitled : Residential Condominium Plan for SOMA GRAND, 1160 Mission Street
 Recorded : November 21, 2007 under Recorder's Serial Number 2007-I 491992.

11. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : The SOMA GRAND, Declaration of Covenants, Conditions and
 Restrictions and Reciprocal Easement Agreement, a Subdivision of
 Airspace
 Executed by : 1160 Mission Associates, LLC, a Delaware limited liability company
 Dated : November 8, 2007
 Recorded : November 21, 2007 in Official Records under Recorder's Serial
 Number 2007-I 491993

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

12. Covenants, Conditions, Restrictions, Limitations, Easements, Assessments, Reservations, Exceptions, Terms, Liens or Charges, but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Entitled : Declaration of Covenants and Restrictions for the Soma Grand Residences
Executed By : 1160 Mission Associates, LLC, a Delaware limited liability company
Dated : November 8, 2007
Recorded : November 21, 2007 in Official Records under Recorder's Serial Number 2007-I 491994

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

13. Easements for ingress, egress, private rights and/or utilities and incidental purposes, as disclosed by instruments of record affecting the "Common Area".

14. Conditions contained and/or referred to in an instrument,

Entitled : Notice of Non-Adversarial Procedure, Notice to Successors in Interest, Notice of Builder's Agent for Notice Under California Civil Code Sections 912(e), 912(f) and 912(h), and Notice of Relinquishment of Control
By : 1160 Mission Associates, LLC, a Delaware Limited Liability Company
Dated : December 3, 2007
Recorded : December 5, 2007 in Reel J530 of Official Records, Image 148 under Recorder's Serial Number 2007-I 497940

15. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount : \$166,273.00
 Trustor/Borrower : Gregory Garver, a single man
 Trustee : Commonwealth Land Title Insurance Company
 Beneficiary/Lender : JPMorgan Chase Bank, N.A.
 Dated : December 26, 2008
 Recorded : December 31, 2008 in Official Records under Recorder's Serial Number 2008-I703372-00
 Loan No. : 1263420197
 Returned to : Warehouse Intake, 700 Kansas Lane - Mail Code: LA4-2153, Monroe, LA 71203.

16. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount : \$353,302.00
 Trustor/Borrower : Gregory Garver
 Trustee : Old Republic Title Company
 Beneficiary/Lender : The City and County of San Francisco, a Municipal Corporation
 Dated : December 29, 2008
 Recorded : December 31, 2008 in Official Records under Recorder's Serial Number 2008-I703373-00
 Loan No. : Garver
 Returned to : Attention: Inclusionary Program, 1 South Van Ness Avenue, Fifth Floor San Francisco, California 94103

SCHEDULE B

Part II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

None reported

ENDORSEMENT

Attached to:
Policy No: A04009-LX-130573
Order No: 0227007759-SC



**OLD REPUBLIC NATIONAL
TITLE INSURANCE COMPANY**
a Corporation, of Minneapolis, Minnesota

The Company hereby assures the Insured that the Company will not deny liability under the policy or any endorsements issued therewith solely on the grounds that the policy and/or endorsement(s) were issued electronically and/or lack of signatures in accordance with Paragraph 14(c) of the Conditions.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

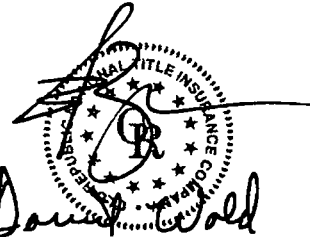
OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

By


Validating Officer

By



President

Attest

Secretary

ENDORSEMENT

Attached to:
Policy No: A04009-LX-130573
Order No: 0227007759-SC



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY a Corporation, of Minneapolis, Minnesota

The Company insures against loss or damage sustained by reason of:

1. The existence, at Date of Policy, of any of the following:
 - (a) Covenants, conditions or restrictions under which the lien of the Insured Mortgage can be cut off, subordinated, or otherwise impaired;
 - (b) Present violations on the Land of any enforceable covenants, conditions or restrictions;
 - (c) Except as shown in Schedule B, encroachments of buildings, structures or improvements located on the Land onto adjoining lands, or any encroachments onto the Land of buildings, structures or improvements located on adjoining lands.
2. (a) Any future violations on the Land of any covenants, conditions or restrictions occurring prior to acquisition of the Title by the Insured, provided such violations result in impairment or loss of the lien of the Insured Mortgage, or result in impairment or loss of the Title if the Insured shall acquire the Title in satisfaction of the Indebtedness;
- (b) Unmarketability of the Title by reason of any violations on the Land, occurring prior to acquisition of the Title by the Insured, of any covenants, conditions or restrictions.
3. Damage to existing improvements, including lawns, shrubbery or trees
 - (a) That are located or encroach upon that portion of the Land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purposes for which the same was granted or reserved;
 - (b) Resulting from the exercise of any right to use the surface of the Land for the extraction or development of the minerals excepted from the description of the Land or shown as a reservation in Schedule B.
4. Any final court order or judgment requiring removal from any land adjoining the Land of any encroachment shown in Schedule B.

As used in this endorsement, the words "covenants, conditions or restrictions" do not refer to or include the terms, covenants, conditions or restrictions contained in any lease.

As used in this endorsement, the words "covenants, conditions or restrictions" do not refer to or include any covenant, condition or restriction (a) relating to obligations of any type to perform maintenance, repair or remediation on the Land, or (b) pertaining to environmental protection of any kind or nature, including hazardous or toxic matters, conditions or substances except to the extent that a notice of a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy and is not excepted in Schedule B.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated : December 31st, 2008

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

By *Deonna Hood*
Validating Officer

By *[Signature]* President

Attest *David J. Wald* Secretary

ENDORSEMENT

Attached to:
Policy No: A04009-LX-130573
Order No: 0227007759-SC



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY a Corporation, of Minneapolis, Minnesota

The Company insures against loss or damage sustained by the Insured by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the Title to the unit and its common elements.
3. Present violations of any restrictive covenants that restrict the use of the unit and its common elements and that are contained in the condominium documents. The restrictive covenants do not contain any provisions that will cause a forfeiture or reversion of the Title. As used in this paragraph 3, the words "restrictive covenants" do not refer to or include any covenant, condition, or restriction (a) relating to obligations of any type to perform maintenance, repair, or remediation on the Land, or (b) pertaining to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances, except to the extent that a notice of a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy and is not excepted in Schedule B.
4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any Insured Mortgage identified in Schedule A.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements that exist at Date of Policy because of any present encroachments or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of the Title by reason of a right of first refusal, to purchase the unit and its common elements that was exercised or could have been exercised at Date of Policy.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated : December 31st, 2008

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

By *Dawonna Hood*
Validating Officer

By

President

Attest

Secretary

ENDORSEMENT

Attached to:
Policy No: A04009-LX-130573
Order No: 0227007759-SC



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY a Corporation, of Minneapolis, Minnesota

The Company insures against loss or damage sustained by reason of the failure of the dimensions of the exterior boundary of "The Common Area" referred to in Schedule A of this policy, being the exterior boundary of the project at Date of Policy, to be correctly shown on that map recorded

November 21st, 2007 in Official Records under Recorder's Serial Number 2007-I 491992-00,

in the office of the County Recorder of San Francisco County.

The Company further insures against loss or damage sustained by reason of the failure of the Title to include a a residence, within the project boundaries, which residence is designated as Unit 812, as shown on that map recorded

November 21st, 2007 in Official Records under Recorder's Serial Number 2007-I 491992-00,

in the office of the County Recorder of San Francisco County, and is known as 1160 Mission Street, #812, San Francisco, CA

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated : December 31st, 2008

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Countersigned:

By *Dawonna Aard*
Validating Officer

By *[Signature]* President
Attest *[Signature]* Secretary

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Section 10 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law, and if that obligation is the payment of a debt, the Indebtedness is the sum of:
 - (i) the amount of the principal disbursed as of Date of Policy;
 - (ii) the amount of the principal disbursed subsequent to Date of Policy;
 - (iii) the construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the Land or related to the Land that the Insured was and continued to be obligated to advance at Date of Policy and at the date of the advance;
 - (iv) interest on the loan;
 - (v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law;
 - (vi) the expenses of foreclosure and any other costs of enforcement;
 - (vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien of the Insured Mortgage before the acquisition of the estate or interest in the Title;
 - (viii) the amounts to pay taxes and insurance; and,
 - (ix) the reasonable amounts expended to prevent deterioration of improvements;but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured.
- (e) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an obligor under the provisions of Section 12(c) of these Conditions;
 - i. the person or Entity who has "control" of the "transferable record," if the Indebtedness is evidenced by a "transferable record," as these terms are defined by applicable electronic transactions law;
 - ii. successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - iii. successors to an Insured by its conversion to another kind of Entity;
 - iv. a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured, or
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity;
 - F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness

secured by the Insured Mortgage, or any part of it, whether named as an Insured or not;

- (ii) With regard to (A), (B), (C), (D), and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance or other matter insured against by this policy.
- (f) "Insured Claimant": An Insured claiming loss or damage.
- (g) "Insured Mortgage": The Mortgage described in paragraph 4 of Schedule A.
- (h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (i) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (j) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (k) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (l) "Title": The estate or interest described in Schedule A.
- (m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions. (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the lien of the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in Section 7, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation,

shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.
 - (i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or
 - (ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

- (b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.
 - (i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
 - (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of
 - (i) the Amount of Insurance,
 - (ii) the Indebtedness,
 - (iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy, or
 - (iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured,
 - (i) the Amount of Insurance shall be increased by 10%, and
 - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date of the claim was made by the Insured Claimant or as of the date it is settled and paid.

- (c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.
- (d) In addition to the extent of liability under (a), (b), and (c) the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

- (a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.
- (b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) **The Company's Right to Recover**
Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.
If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) **The Insured's Rights and Limitations**
 - (i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of

the Insured Mortgage.

- (ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

- (c) **The Company's Rights Against Non-insured Obligors**

The Company's right of subrogation includes the Insured's rights against non-insured obligors including the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1(e)(1)(F) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an Insured under this policy.

13. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. 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 in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. 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. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or lien of the Insured Mortgage or by any action asserting such claim, shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance.

15. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

16. CHOICE OF LAW; FORUM

- (a) **Choice of Law:** The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the lien of the Insured Mortgage that are adverse to the Insured, and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

17. NOTICES, WHERE SENT


Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 400 Second Avenue South, Minneapolis, Minnesota 55401-2499.

FREE RECORDING REQUESTED PURSUANT TO GOV. CODE SECTION 42731

RECORDING REQUESTED BY ~~OLD REPUBLIC TITLE COMPANY~~

ESCROW #: 0227007759-SC
APN #: Block 3702; Lot 112
WHEN RECORDED MAIL TO

17 Mayor's Office of Housing
c/o City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103



San Francisco Assessor-Recorder
Phil Ting, Assessor-Recorder
DOC- 2008-1703373-00
Acct 21-Mayor's Office of Housing Development
Wednesday, DEC 31, 2008 12:40:43
Ttl Pd \$0.00 Rcpt # 0003597860
REEL J798 IMAGE 0383
og1/GG/1-1

SPACE ABOVE THIS LINE FOR RECORDER'S USE

REQUEST FOR COPY OF NOTICE OF DEFAULT

IN ACCORDANCE WITH SECTION 2924B, CIVIL CODE OF THE STATE OF CALIFORNIA, REQUEST IS HEREBY MADE THAT A COPY OF ANY NOTICE OF DEFAULT AND A COPY OF ANY NOTICE OF SALE UNDER THE DEED OF TRUST

RECORDED ON : 12/31/08
 IN BOOK/REEL : _____ of Official Records
 AT PAGE/IMAGE : _____
 SERIES NUMBER : 08-I-763309
 COUNTY OF : San Francisco, State of California
 EXECUTED BY : Gregory Garver as Trustor (s)
 IN WHICH : Old Republic Title Company is named Trustee
 AND : Mayor's Office of Housing City and County of San Francisco is named Beneficiary
 BE MAILED TO : Mayor's Office of Housing City and County of San Francisco
 WHOSE ADDRESS IS : 1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103

NOTICE: A COPY OF ANY NOTICE OF DEFAULT AND OF ANY NOTICE OF SALE WILL BE SENT ONLY TO THE ADDRESS CONTAINED IN THIS RECORDED REQUEST. IF YOUR ADDRESS CHANGES, A NEW REQUEST MUST BE RECORDED.

Gregory Garver
Gregory Garver

State of California
County of San Francisco

On December 29, 2008 before me, Sharon Chan a Notary Public, personally appeared Gregory Garver, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.
Signature: _____
Name: Sharon Chan
(typed or printed)



(Seal)

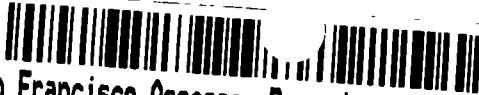
FREE RECORDED REQUEST PHOENIA
TO GOV. CODE SECTION 1275.3

RECORDING REQUESTED BY
OLD REPUBLIC TITLE COMPANY

ESCROW #: 0227007759-SC
APN #: Block 3702; Lot 112
WHEN RECORDED MAIL TO

19

Mayor's Office of Housing
c/o City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103



San Francisco Assessor-Recorder
Phil Ting, Assessor-Recorder
DOC- 2008-1703375-00
Acct 21-Mayor's Office of Housing Development
Wednesday, DEC 31, 2008 12:40:57
Ttl Pd \$0.00 Rcpt # 0003597862
REEL J798 IMAGE 0385
osi/GG/1-1

SPACE ABOVE THIS LINE FOR RECORDER'S USE

REQUEST FOR COPY OF NOTICE OF DEFAULT

IN ACCORDANCE WITH SECTION 2924B, CIVIL CODE OF THE STATE OF CALIFORNIA, REQUEST IS HEREBY MADE THAT A COPY OF ANY NOTICE OF DEFAULT AND A COPY OF ANY NOTICE OF SALE UNDER THE DEED OF TRUST

RECORDED ON : 12/31/08

IN BOOK/REEL : _____ of Official Records

AT PAGE/IMAGE : _____

SERIES NUMBER : 08-I 103374

COUNTY OF : San Francisco, State of California

EXECUTED BY : Gregory Garver as Trustor (s)

IN WHICH : Old Republic Title Company is named Trustee

AND : Mayor's Office of Housing City and County of San Francisco is named Beneficiary

BE MAILED TO : Mayor's Office of Housing City and County of San Francisco

WHOSE ADDRESS IS : 1 South Van Ness Avenue, 5th Floor, San Francisco, CA 94103

NOTICE: A COPY OF ANY NOTICE OF DEFAULT AND OF ANY NOTICE OF SALE WILL BE SENT ONLY TO THE ADDRESS CONTAINED IN THIS RECORDED REQUEST. IF YOUR ADDRESS CHANGES, A NEW REQUEST MUST BE RECORDED.

Gregory Garver
Gregory Garver

State of California
County of San Francisco

On December 29 2008 before me, Sharon Chan a Notary Public, personally appeared Gregory Garver, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____
Name: Sharon Chan
(typed or printed)



(Seal)

C

D

Tab 3: Resale Documentation

C

Q

Tab 4: Refinancing Documentation