

**COUNTY OF SAN MATEO
PLANNING AND BUILDING DEPARTMENT**

DATE: July 18, 2024

TO: Zoning Hearing Officer

FROM: Planning Staff

SUBJECT: Consideration of a Coastal Development Permit (CDP) and a Certificate of Compliance (Type B) (COCB) for the legalization a 7,800 sq. ft. parcel, pursuant to Section 6328.4 of the County Zoning Regulations and Section 7134 of the County Subdivision Regulations, located on Isabella Avenue, in the unincorporated El Granada area of San Mateo County. This project is appealable to the California Coastal Commission. In conjunction with the requested CDP and COCB, it is recommended that the CDRC determine that the project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15315.

County File Number: PLN2024-00133 (Genest/Pond)

PROPOSAL

The applicant requests a Coastal Development Permit (CDP) and a Certification of Compliance (Type B) for the legalization of a 7,800 sq. ft. parcel (APN 047-192-060; Lot 37 of Block 16), which was not conveyed as a separated parcel until after the effective date (July 20, 1945) of the County's first Subdivision Regulations. The owner also owns the adjoining developed parcel to the north at 530 Isabella Avenue.

RECOMMENDATION

That the Zoning Hearing Officer approve the Coastal Development Permit and Certificate of Compliance (Type B), County File Number PLN2024-00133, by making the required findings and adopting the conditions of approval identified in Attachment A.

BACKGROUND

Report Prepared By: Glen Jia, Project Planner, Phone 650/363-1803

Applicant: Timothy Pond

Owner: Alexis A. Genest

Public Notification: Ten (10) day advanced notification for the hearing was mailed to property owners within 300 feet of the project parcel and a notice for the hearing posted in a newspaper (San Mateo County Times) of general public circulation.

Location: Isabella Avenue, El Granada

APN: 047-192-060

Size: 7,800 sq. ft.

Existing Zoning: R-1/S-17/DR/CD (One-Family Residential/5,000 sq. ft. minimum parcel Size/Design Review/ Coastal Development District)

General Plan Designation/ Local Coastal Plan Designation: Medium Density Residential

Sphere-of-Influence: City of Half Moon Bay

Existing Land Use: Vacant

Water Supply/Sewage Disposal: Coastside County Water District/Granada Sanitary District

Flood Zone: FEMA Flood Insurance Rate Map designation defines the parcel to be located within a Zone X, area of minimal flood hazard. Flood panel: 06081C0140E, dated October 16, 2012

Environmental Evaluation: Categorically exempt under provisions of Class 15, Section 15315, of the California Environmental Quality Act Guidelines (Minor Land Divisions).

Setting: The subject parcel is an undeveloped parcel located within an urbanized single-family residential neighborhood. The parcel can be accessed from Isabella Road, an improved, public roadway. The project is adjacent to existing residences to the north, south, east, northwest, and southwest. The parcel slopes up from the frontage toward the rear at approximately 24% slope.

Chronology:

<u>Date</u>	<u>Action</u>
September 16, 1960	- The first separate conveyance of the subject parcel in its current configuration.
May 1, 2024	- Application Filed
May 30, 2024	- Application Deemed Complete

DISCUSSION

A. **KEY ISSUES**

1. **Compliance with the General Plan**

The proposal conforms with General Plan (GP) Policy 8.14 (*Appropriate Land Use Designations and Locational Criteria for Urban Unincorporated Areas*) which utilizes defined designations and densities to achieve stated land use objectives within unincorporated urban areas.

The project parcel has a GP land use designation of Medium Density Residential (6.1 – 8.7 dwelling units/net acre). The 7,800 sq. ft. parcel is zoned R-1 (One-family Residential) and complies with the minimum lot size requirement of 5,000 sq. ft of the S-17 district. The construction of a single-family residence is anticipated subsequent to the final approval of the subject application and would result in a density of 5.85 dwelling units per acre, which conforms to the maximum density.

2. **Conformance with the Local Coastal Program (LCP)**

Staff has reviewed the project and found it to be compliant with the policies of the Local Coastal Program. The applicable policies with specific discussion are detailed below:

a. **Locating and Planning New Development**

Policy 1.5 (*Land Uses and Development Densities in Urban Areas*) which incorporates the adopted Montara-Moss Beach-El Granada Community Plan into the Midcoast Land Use Plan and defines the land use densities for each land use designation. As discussed in Section A.1 above, future development is anticipated to comply with the maximum density required for the subject parcel, which is designated for Medium Density Residential (6.1 – 8.7 dwelling units/net acre).

Policy 1.29 (*Legalizing Parcels*) requires a Coastal Development Permit when issuing a Certificate of Compliance (Type B) to legalize parcels under Section 66499.35(b) of the California Government Code (i.e., parcels that were illegally created without benefit of government review and approval). The County’s first Subdivision Regulations requiring a subdivision permit for parcel creation went into effect on July 20, 1945 (effective date). Staff’s review of a chain of title for the

property shows that Lot 37 (subject parcel) in Block 16 was conveyed together with the adjacent lots in Block 16 until after the effective date. Therefore, pursuant to California Government Code 66499.35(b) and LCP Policy 1.29, a Certificate of Compliance (Type B) and a Coastal Development Permit, respectively, are requested under the subject application.

Policy 1.30.d. (*Coastal Development Permit Standards of Review for Legalizing Parcels*) allows on undeveloped parcels created before Proposition 20 (effective date January 1, 1973) or the Coastal Act of 1976, that a Coastal Development Permit shall be issued to legalize the parcel if the parcel configuration will not have any substantial adverse impacts on coastal resources and if the project complies with the standards as set forth in the Local Coastal Policies and the Coastal Development District regulations. Permits to legalize this type of parcel shall be conditioned to ensure consistency with LCP resource protection policies and a separate Coastal Development Permit, subject to all applicable LCP requirements, shall be required for any development of the parcel.

A coastal development permit is requested as part of this project. The subject parcel is a vacant parcel which is surrounded by existing single-family residences and is accessible from an existing County Road, Isabella Avenue. The site is not located within a scenic corridor, nor does it contain sensitive habitat; therefore, any future development on the parcel would be unlikely to impact any sensitive coastal resources, such as public views or shoreline access due to the distance of the site from public viewpoints and its location on the east side of Highway 1. Further, the property is within the Categorical Exclusion Area for single-family development. The legalization of the parcel is expected to result in no substantial adverse impacts on coastal resources.

3. Conformance with the Subdivision Regulations

Pursuant to Section 7134.2.b.(2) of the County's Subdivision Regulations, a parcel depicted as a lot on a subdivision map approved and recorded by the County prior to July 20, 1945, shall be issued a Certificate of Compliance (Type B) upon demonstrating that the current parcel boundaries match those depicted on the approved subdivision map and the parcel was first conveyed separately from adjoining lands on or after July 20, 1945. Furthermore, Section 7134.4.c requires such Certificate of Compliance (Type B) to be subject to conditions of legalization, if necessary, and a Coastal Development Permit if within the Coastal Zone. Pursuant to Section 7134.6.b. conditions of approval may include any conditions which would have been applicable to the division of the property at the time the applicant

acquired his or her interest in the property except that compliance with the conditions is not required until the time at which a building permit or other grant of approval for development of the property is issued by the County and that the Director of Planning and Building may defer placing conditions which relate to future development of the property, such as access and utility improvements, to such time that specific development is proposed on the property.

The subject parcel is part of that certain map entitled "El Granada Highlands Subdivision No. 5, San Mateo County, California, which was filed in the office of the recorder of the County of San Mateo, State of California on December 19, 1928, in Book 17 of Maps, at Page 31. The submitted legal descriptions describe Lot 37 on Block 16 in the current configuration.

The first separate conveyance of the subject parcel in its current configuration occurred via a grant deed on September 16, 1960. For this reason, the applicant has requested a Certificate of Compliance (Type B) as part of this application. Furthermore, a Certificate of Compliance (Type B) requires a Coastal Development Permit. Regarding conditions of approval, Section 7134.6(b) of the County Subdivision Regulations, states that the Director of Planning and Building may impose any conditions which would have been applicable to the division of property at the time the applicant acquired his/her interest in the property. However, since direct road access to the subject parcel exists, and water, power, and sanitary sewer services are available, no special conditions are required. Conditions 1-4 of Attachment A are standard conditions applicable to Certificates of Compliance.

B. ENVIRONMENTAL REVIEW

The proposed parcel legalization is categorically exempt from the California Environmental Quality Act (CEQA) Guidelines under Section 15315, Class 15: Minor Land Divisions, which include the division of property (which a certificate of compliance establishing a parcel's legal status can be considered) in urbanized areas zoned for residential use into four or fewer parcels, when the division is in conformance with the General Plan and zoning (the parcel size exceeds the 5,000 sq. ft. minimum), no variances are required, and all services and access to the parcel are available. Based on project conformance to the criteria, the project is exempt from the California Environmental Quality Act.

C. REVIEWING AGENCIES

Coastside County Water District
Granada Sanitary District

ATTACHMENTS

- A. Recommended Findings and Conditions of Approval
- B. Current Assessor's Parcel Map
- C. Chain of Title
- D. 1960 Deed

County of San Mateo
Planning and Building Department

RECOMMENDED FINDINGS AND CONDITIONS OF APPROVAL

Permit or Project File Number: PLN2024-00133

Hearing Date: July 18, 2024

Prepared By: Glen Jia, Project Planner

For Adoption By: Zoning Hearing Officer

RECOMMENDED FINDINGS

For the Environmental Review, Find:

1. That the project is categorically exempt from the California Environmental Quality Act Guidelines pursuant to Section 15315, Class 15, related to minor land divisions (which a Certificate of Compliance (Type B) establishing a parcel's legal status can be considered) in an urbanized area zoned for residential use that is in conformance with the General Plan and zoning, no variances are required, all services and access to the parcel are available, and the parcel has an average slope of no more than 20 percent.

For the Coastal Development Permit, Find:

2. That the project, as described in the application and accompanying materials required by Section 6328.7 and as conditioned in accordance with Section 6328.14, conforms with the plans, policies, requirements and standards of the San Mateo County Local Coastal Program (LCP), specifically with regard to Locating and Planning New Development Component of the Local Coastal Program Components 1.1-1.5.
3. That the project is not located between the nearest public road and the sea, or the shoreline of Pescadero Marsh, and therefore is not subject to conformity with the public access and public recreation policies of Chapter 3 of the Coastal Act of 1976 (commencing with Section 30200 of the Public Resources Code).
4. That the project conforms to specific findings required by policies of the San Mateo County LCP including Locating and Planning New Development and Sensitive Habitats Components as legalization of the parcel conforms with the Midcoast land use designation of Medium Density Residential, the requirement for a Coastal Development Permit to legalize the parcel is being pursued under the subject application, and as conditioned there is no evidence to suggest that legalization of the parcel's configuration would result in any adverse impact on coastal resources.

For the Certificate of Compliance (Type B), Find:

5. That the processing of the Certificate of Compliance (Type B) is in full conformity with the County Subdivision Regulations Section 7134 (Legalization of Parcels; Certificate of Compliance).

RECOMMENDED CONDITIONS OF APPROVAL

Current Planning Section

1. This approval applies only to the proposal as described in the plans, supporting materials, and reports approved by the Zoning Hearing Officer on July 18, 2024. Minor revisions or modifications to the project may be made subject to the review and approval of the Director of Planning and Building, if they are consistent with the intent of and in substantial conformance with this approval.
2. The subject Certificate of Compliance (Type B), which shall represent Lot 37, Block 16, as a legal parcel, shall be recorded prior to the issuance of any other permits related to any development on this property.
3. The applicant is advised that prior to recordation of the Certificate of Compliance, the owner/applicant shall provide the project planner with a check to cover recording fee costs. The project planner will confirm the amount prior to recordation.
4. The applicant is hereby informed that any future development on this parcel would be subject to compliance with the zoning regulations, all applicable policies of the County's Local Coastal Program and conformance with the California Environmental Quality Act Guidelines for environmental review, at that time.



COUNTY OF SAN MATEO - PLANNING AND BUILDING DEPARTMENT

ATTACHMENT B



COUNTY OF SAN MATEO - PLANNING AND BUILDING DEPARTMENT

ATTACHMENT C

CLTA CHAIN OF TITLE

Issued By:



Guarantee Number:

FLNP-TO2400015

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, AND THE GUARANTEE CONDITIONS ATTACHED HERETO AND MADE A PART OF THIS GUARANTEE,

COMMONWEALTH LAND TITLE INSURANCE COMPANY
a corporation, herein called the Company

GUARANTEES

the Assured named in Schedule A of this Guarantee

against loss or damage not exceeding the Amount of Liability stated in Schedule A sustained by the Assured by reason of any incorrectness in the Assurances set forth in Schedule A.

Lawyers Title Company
675 N. First Street, 4th Fl
San Jose, CA 95112

Countersigned By:

MaryAnn List
Authorized Officer or Agent



Commonwealth Land Title Insurance Company

By:

Michael J. Nolan, President

Attest:

Marjorie Nemzura, Secretary

ISSUING OFFICE:
Title Officer: Peter Milos Lawyers Title Company 675 N. First Street, 4th Fl San Jose, CA 95112 Phone: 408-436-2711 Fax: 408-295-3975 Main Phone: (408)436-2700 Email: Peter.Milos@titlegroup.fntg.com

SCHEDULE A

Amount of Liability	Fee	Title Officer
\$1,000.00	\$500.00	Peter Milos

Date of Guarantee: April 9, 2024 at 07:30 AM

- 1. Name of Assured: Alexis Genest
- 2. The Land referred to in this Guarantee is described as follows:

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

- 3. This Guarantee does not cover:
 - a. Taxes, assessments, and matters related thereto.
 - b. Instruments, proceedings, or other matters which do not specifically describe said land.

4. ASSURANCES:

According to the Public Records as of the Date of Guarantee,

- a. Alexis Genest, as Trustee of the Alexis Genest Revocable Trust Initially Created on September 2, 2021 purportedly acquired an estate or interest in the Land pursuant to a Grant Deed recorded September 9, 2021, [Instrument No. 2021-130046, Official Records](#).
- b. Matters affecting the interest described in Paragraph 4a recorded subsequent to December 19, 1928 are shown in Schedule B.

END OF SCHEDULE A

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): [047-192-060](#)

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF SAN MATEO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

LOT 37, BLOCK 16, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "EL GRANADA HIGHLANDS SUBDIVISION NO. 5, SAN MATEO COUNTY, CALIFORNIA", FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA ON DECEMBER 19, 1928 IN [BOOK 17 OF MAPS, AT PAGE 31](#).

J.P.N. 047-019-192-06A

SCHEDULE B

1. Document Type: Deed
Grantor: Lewis W. Martin and Ina H. Martin
Conveyed To: El Granada Holdings Company, a corporation
Transfer Tax:
Recording Date: September 29, 1926
Recording No.: 69505A, [Book 256, Page 279, Official Records](#)

Affects: The herein described Land and other land.

2. Document Type: El Granada Highlands Subdivision No. 5
Owner: El Granada Holding Company
Recording Date: December 19, 1928
Recording No.: 17 of Maps, Page 31

Affects: The herein described Land and other land.

3. Document Type: Deed
Grantor: El Granada Holding Company
Conveyed To: Albert T. Roche
Transfer Tax:
Recording Date: September 26, 1929
Recording No.: 44619B, [Book 437, Page 246, Official Records](#)

NOTE: Said deed erroneously refers to Lots 20 to 39 inclusive in Block 16, Subdivision #3 El Granada Highlands instead of Subdivision #5 El Granada Highlands

Affects: The herein described Land and other land.

4. Document Type: Deed
Grantor: Albert T. Roche
Conveyed To: Capt John Smith and Elizabeth C. Smith, his wife
Transfer Tax:
Recording Date: April 26, 1930
Recording No.: 59272B, [Book 464, Page 471, Official Records](#)

Affects: The herein described Land and other land.

5. Document Type: Gift Deed
Grantor: John Henry Smith (aka Capt. John Smith)
Conveyed To: Elizabeth C. Smith
Transfer Tax:
Recording Date: June 26, 1939
Recording No.: 62692D, [Book 841, Page 424, Official Records](#)

Affects: The herein described Land and other land.

SCHEDULE B
(continued)

6. Document Type: Grant Deed
Grantor: Elizabeth C. Smith
Conveyed To: John K. Smith
Transfer Tax:
Recording Date: October 6, 1953
Recording No.: 11168L, [Book 2481, Page 687, Official Records](#)
- Affects: The herein described Land and other land.
7. Document Type: Grant Deed
Grantor: John K. Smith and Thelma L. Smith
Conveyed To: Dean Schamber and Mary A. Schamber, his wife as joint tenants
Transfer Tax: \$2.75
Recording Date: September 16, 1960
Recording No.: 90755S, [Book 3861, Page 82, Official Records](#)
8. Document Type: Judgment Establishing Fact of Death of Joint Tenant, Superior Court, Contra Costa County,
Case No. 36530
On behalf of: Mary A. Schamber, alias, deceased
Conveyed To: Dean Schamber, surviving joint tenant
Transfer Tax:
Recording Date: March 3, 1977
Recording No.: 88149AK, [Book 7398, Page 133, Official Records](#)
- and also recorded November 1, 1977, Instrument No. 90815AL, [Book 7646, Page 336, Official Records](#)
9. Document Type: Executor'
Grantor: The estate of Dean Schamber, by David Martin Schamber, Executor
Conveyed To: Charles A. Brown, an unmarried man
Transfer Tax: \$34.65
Recording Date: October 26, 1985
[Recording No.:](#) [85131281, Official Records](#)
10. Document Type: Grant Deed
Grantor: Charles A. Brown
Conveyed To: William V. Newlin and Rebecca L. Newlin, husband and wife as joint tenants
Transfer Tax: \$82.50
Recording Date: May 22, 2000
[Recording No.:](#) [2000-059794, Official Records](#)
11. Document Type: Grant Deed
Grantor: William Newlin and Rebecca Newlin
Conveyed To: Alexis A. Genest, an unmarried man
Transfer Tax: \$110
Recording Date: November 30, 2010
[Recording No.:](#) [2010-144741, Official Records](#)

SCHEDULE B
(continued)

12. Document Type: Grant Deed
Grantor: Alexis A. Genest, an unmarried man
Conveyed To: Alexis Genest, as Trustee of the Alexis Genest Revocable Trust Initially Created on
September 2, 2021
Transfer Tax: 0
Recording Date: September 9, 2021
Recording No.: [2021-130046, Official Records](#)

END OF SCHEDULE B

EXCLUSIONS FROM COVERAGE

Except as expressly provided by the assurances in Schedule A, the Company assumes no liability for loss or damage by reason of the following:

- (a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the Land.
- (b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the Public Records (1) that are created, suffered, assumed or agreed to by one or more of the Assureds; or (2) that result in no loss to the Assured.
- (c) Defects, liens, encumbrances, adverse claims or other matters not shown by the Public Records.
- (d) The identity of any party shown or referred to in any of the schedules of this Guarantee.
- (e) The validity, legal effect or priority of any matter shown or referred to in any of the schedules of this Guarantee.
- (f) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or (2) proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the Public Records.
- (g) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the Public Records.

GUARANTEE CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in the Guarantee mean:

- (a) the "Assured": the party or parties named as the Assured in Schedule A, or on a supplemental writing executed by the Company.
- (b) "Land": the Land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "Land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (c) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (d) "Public Records": those records established under California statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.
- (e) "Date of Guarantee": the Date of Guarantee set forth in Schedule A.
- (f) "Amount of Liability": the Amount of Liability as stated in Schedule A.

2. NOTICE OF CLAIM TO BE GIVEN BY ASSURED

The Assured shall notify the Company promptly in writing in case knowledge shall come to the Assured of any assertion of facts, or claim of title or interest that is contrary to the assurances set forth in Schedule A and that might cause loss or damage for which the Company may be liable under this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of the Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

3. NO DUTY TO DEFEND OR PROSECUTE

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

4. COMPANY'S OPTION TO DEFEND OR PROSECUTE ACTIONS; DUTY OF ASSURED TO COOPERATE

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

- (a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in Paragraph 4 (b), or to do any other act which in its opinion may be necessary or desirable to establish the correctness of the assurances set forth in Schedule A or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.
- (b) If the Company elects to exercise its options as stated in Paragraph 4 (a) the Company shall have the right to select counsel of its choice (subject to the right of the Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.
- (c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.
- (d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, the Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the Assured for this purpose. Whenever requested by the Company, the Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the correctness of the assurances set forth in Schedule A or to prevent or reduce loss or damage to the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

(continued)

5. PROOF OF LOSS OR DAMAGE

- (a) 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 Assured furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter 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.
- (b) In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this paragraph 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 Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS: TERMINATION OF LIABILITY

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

- (a) To pay or tender payment of the Amount of Liability together with any costs, attorneys' fees, and expenses incurred by the Assured that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.
- (b) To pay or otherwise settle with the Assured any claim assured against under this Guarantee. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Assured 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
- (c) To pay or otherwise settle with other parties for the loss or damage provided for under this Guarantee, together with any costs, attorneys' fees, and expenses incurred by the Assured 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 6 (a), (b) or (c) of this paragraph the Company's obligations to the Assured under this Guarantee for the claimed loss or damage, other than the payments required to be made, shall terminate, including any duty to continue any and all litigation initiated by the Company pursuant to Paragraph 4.

7. LIMITATION OF LIABILITY

- (a) This Guarantee is a contract of Indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in Schedule A and only to the extent herein described, and subject to the Exclusions From Coverage of this Guarantee.
- (b) If the Company, or the Assured under the direction of the Company at the Company's expense, removes the alleged defect, lien, or encumbrance or cures any other matter assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.
- (c) In the event of any 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 therefrom.
- (d) The Company shall not be liable for loss or damage to the Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

8. REDUCTION OF LIABILITY OR TERMINATION OF LIABILITY

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the Amount of Liability under this Guarantee pro tanto.

9. PAYMENT OF LOSS

- (a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.
- (b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions, the loss or damage shall be payable within thirty (30) days thereafter.

10. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

(continued)

11. ARBITRATION

Either the Company or the Assured 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 Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision, or to any other controversy or claim arising out of the transaction giving rise to this Guarantee. All arbitrable matters when the amount of liability is Two Million And No/100 Dollars (\$2,000,000) or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of Two Million And No/100 Dollars (\$2,000,000) shall be arbitrated only when agreed to by both the Company and the Assured. Arbitration pursuant to this Guarantee 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.

12. LIABILITY LIMITED TO THIS GUARANTEE; GUARANTEE ENTIRE CONTRACT

- (a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.
- (b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.
- (c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

13. SEVERABILITY

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

14. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Assured acknowledges the Company has underwritten the risks covered by this Guarantee 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 Guaranties 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 that are adverse to the Assured and to interpret and enforce the terms of this Guarantee. 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 Assured 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.

15. NOTICES, WHERE SENT

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to the Company at:

Commonwealth Land Title Insurance Company
P.O. Box 45023
Jacksonville, FL 32232-5023
Attn: Claims Department

END OF CONDITIONS



COUNTY OF SAN MATEO - PLANNING AND BUILDING DEPARTMENT

ATTACHMENT D

90755S
RECORDED AT REQUEST OF

SAN MATEO COUNTY TITLE COMPANY

SEP 16 2 30 P 1960

OFFICIAL RECORDS
SAN MATEO COUNTY
Recorder
RECORDED

200

N.

170877

Return to

275



170877

GRANT DEED (Joint Tenancy)

For value received

JOHN K. SMITH and THELMA L. SMITH, his wife,
GRANT.....to

DEAN SCHAMBER and MARY A. SCHAMBER, his wife,
as JOINT TENANTS all that real property situate in the

County of San Mateo, State of California, described as follows:

Lot 37 in Block 16, as shown on that certain map entitled
"El Granada Highlands Subdivision No. 5, San Mateo County
California", filed in the office of the County Recorder of
San Mateo County on December 19, 1928, in Book 17 of Maps
at page 31.

Dated September 3 19 60

John K. Smith
Thelma L. Smith

STATE OF CALIFORNIA

County of Los Angeles } ss.

On September 3 19 60, before me, the undersigned, a Notary Public,
in and for said County and State, personally appeared John K. Smith and Thelma L. Smith

known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

My commission expires ADA MAE TAYLOR

My Commission Expires Sept. 20, 1962

Ada Mae Taylor
Notary Public

170877