

Legal Description:

PARCEL 1:

Lot 18 of Tract No. 14038, as shown on a Map Recorded in Book 670, Pages 37 through 44 of Miscellaneous Maps, Records of Orange County, California. Excepting therefrom all oil, oil rights, minerals, mineral rights, natural gas rights and other hydrocarbons by whatsoever name known, geothermal steam and all products derived from any of the foregoing, that may be within or under the property, together with the perpetual right of drilling, mining, exploring and operating therefor and storing in and removing the same from said property or any other land, including the right to whipstock or directionally drill and mine from lands other than the property, oil or gas wells, tunnels and shafts into, through or across the subsurface of the property, and to bottom such whipstocked or directionally drilled wells, tunnels and shafts under and beneath or beyond the exterior limits thereof, and to redrill, retunnel, equip, maintain, repair, deepen and operate such wells or mines, without however, the right to drill, mine, store, explore and operate through the surface or the upper 500 feet of the subsurface of the property, without, however, any right to enter upon the surface of the property conveyed hereby in the exercise of such rights, as reserved by The Irvine Company in deed recorded December 19, 1996 as Instrument No. 96-639024 of Official Records. Also excepting therefrom any and all water, water rights or interests therein appurtenant or relating to the property or owned or used by Grantor in connection with or with respect to the property (No matter how acquired by Grantor), whether such water rights shall be riparian, overlying, appropriative, littoral, percolating, prescriptive, adjudicated, statutory or contractual together with the right and power to explore, drill, redrill, remove and store the same from or in the property or to divert or otherwise utilize such water, rights or interests on any other property owned or leased by Grantor; but without, however, any right to enter upon the surface of the property in the exercise of such rights, as reserved by The Irvine Company in Deed recorded December 19, 1996 as Instrument No. 96-639024 of Official Records.

Parcel 2:

Non-exclusive easements for access, ingress, egress, drainage, maintenance and repairs, all as described in the Declaration of Covenants, conditions and restrictions for Newport Coast Community Association, recorded May 24, 1991 as Instrument No. 91-257521, as Amended by Amendment No. 1 to the Declaration of Covenants, conditions and restriction for Newport Coast Community Association, recorded December 6, 1991 as Instrument No. 91-672706, both of Official Records of Orange County, California (Collectively, the "Master Declaration"), the Declaration of Covenants, conditions and restriction and reservation of easements for Bramalea Homes at Newport Coast, recorded May 29, 1991 as Instrument No. 91-265970, as Amended by that certain First Amendment to Declaration of Covenants, conditions and restrictions and reservation of easement for Bramalea Homes at Newport Coast, recorded April 15, 1992 as Instrument No. 92-246647, both of said Official Records (Collectively, the "Declaration"), and in that certain supplemental declaration and notice of designation of phase for Phase 7A (Increment 1) of Bramalea Homes at Newport Coast, recorded September 17, 1997 as Instrument No. 97-453801 of Said Official Records (The "Notice of Designation").

PARCEL #: 477-071-35