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509-422-3420 Fax 509-422-1901

Oroville Office
722 Central Oroville, WA 98844
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Address for Recording Packages:

USPS: PO Box 626
Okanogan, WA 98840

UPS/FED EX: 105 N 2nd Avenue
Okanogan, WA 98840

UPDATED – NO. 1

Attached Commitment Issued for the sole use
of:

**Farm Service Agency
Booker Auctions**

Our Title Number **57671-10-TW**

Escrow Number

Customer Reference Number

When Replying Please Contact:

Tina Williams
(509) 422-3420
tinawilliams@bainestitle.com

See Attached Commitment to Insure



ALTA Plain Language Commitment

INFORMATION

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Policy contains an arbitration clause. 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 you as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org>.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT. YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, contact Tina Williams at (509) 422-3420 or via email at tinawilliams@bainestitle.com

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ALTA Plain Language Commitment

AGREEMENT TO ISSUE POLICY

We agree to issue a policy to you according to the terms of the Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met with six (6) months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-I.

The Exceptions in Schedule B-II.

The Conditions on Page 3.

The Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B.

CONDITIONS

1. DEFINITIONS

(a) "Mortgage" means mortgage, deed of trust or other security instrument. (b) "Public Records" means title records that give constructive notice of matters affecting your title according to the state statutes where your land is located.

2. LATER DEFECTS

The Exceptions in Schedule B – Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attach between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B – Section I are met. We shall have no liability to you because of this amendment.

3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

Comply with the Requirements shown in Schedule B – Section I

or

Eliminate with our written consent any Exceptions shown in Schedule B – Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against up concerning the title to the land must be based on this Commitment and is subject to its terms.

Issued through the office of:
Baines Title & Escrow
P.O. Box 626, 105 N. 2nd Avenue
Okanogan, WA 98840-0000

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

By

President

Kelly Townsend

President, Baines Title Company Inc.

Attest

Secretary

SCHEDULE A

1. Commitment Date: **September 23, 2010 at 8:00AM**

2. Policy (or Policies) to be issued:

a. Owner's Policy

Amount	\$	Later
Premium	\$	Later
Tax	\$	7.7%

Identify which Owner Policy to be used: 2006 ALTA Standard

Proposed Insured:

To Be Determined

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Exhibit A attached. Limitations on Covered Risks applicable to the Homeowner's Policy of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the Policy forms should be read. They are available from the office which issued this Commitment.

3. **Fee Simple** interest in the land described in this Commitment is owned, at the Commitment Date, by:

US Department of Agriculture

4. The estate or interest in the Land that is described by this Commitment is:

Fee Simple

5. The land referred to in the Commitment is described as follows:

SEE ATTACHED EXHIBIT A

This Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B

EXHIBIT A

All of Tract 15, Orchard View Addition to Tonasket, Washington, according to plat thereof recorded in Volume "D" of Plats, page 28 under Auditor's File No. 153228, records of Okanogan County, Washington.

EXCEPT that portion described as follows:

BEGINNING at the southernmost corner of said Tract 15, and running THENCE Northwesterly along the Southwesterly boundary line of said Tract 15, a distance of 58 feet;

THENCE turning an angle of 90° to the right and running a distance of 150 feet;

THENCE turning an angle of 90° deg. to the right and running a distance of 58 feet to the Easternmost corner of said Tract 15;

THENCE turning an angle of 90° to the right and running 150 feet along the Southeasterly boundary line of said Tract 15 to the POINT OF BEGINNING.

SCHEDULE B – SECTION I

REQUIREMENTS

The following requirements must be met:

- A. Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- B. Pay us the premiums, fees and charges for the policy.
- C. Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
- D. You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- E. Evidence of the identity and authority of the individuals who are to execute the forthcoming documents must be provided.

SCHEDULE B – SECTION II

Title Number:
57671-10-TW

EXCEPTIONS

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction.

1. General taxes, not including interest, penalties or statutory foreclosure costs for any delinquent accounts, in the following original amounts: (First half due on or before April 30. Last half due on or before Oct 31 of the current year.)

Parcel Number	Year	Tax Assessed	First Half Amount Due	Second Half Amount Due
2560150001	2010	Exempt	n/a	n/a

NOTE: If tax amounts need to be verified for updates or if interest on delinquent taxes needs to be calculated, please contact the Okanogan County Treasurer's Office at 509-422-7180, or at <http://okanoganwa.taxesifter.com>.

2. Restrictions, Reservations, Recitals, Dedications and Easements as shown on the face of the plat of Orchard View Addition to Tonasket.
3. This Commitment is not valid for any amount until the amount to be insured is provided to, and approved by the company.
4. Matters that may be disclosed by an examination of the records against the name(s) of the proposed insured.

END OF PART II

NOTES

- a) We have been informed that the address for said premises is: **8 Whitcomb Ave N, Tonasket, WA 98855**
- b) The legal description contained herein was taken from the record and the presumed intention of the parties to the transaction. The description must be examined and approved by the parties prior to closing.
- c) Abbreviated Legal Description, provided for convenience only:

Tax 1 W102Ft Lot 15 Orchard View Tonasket
- d) RESPA split disclosure for 2010 HUD – 85% agent/15% underwriter

**AMERICAN LAND TITLE ASSOCIATION
LOAN POLICY OF TITLE INSURANCE - 2006
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).

EXCEPTIONS FROM COVERAGE – SCHEDULE B, PART 1, SECTION ONE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. 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 and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

**AMERICAN LAND TITLE ASSOCIATION
OWNER'S POLICY OF TITLE INSURANCE - 2006
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:

2. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (j) the occupancy, use, or enjoyment of the Land;
 - (v) the character, dimensions, or location of any improvement erected on the Land;
 - (vi) the subdivision of land; or
 - (vii) 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 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is:
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
 5. 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 deed or other instrument of transfer in Public Records that vests Title as shown in Schedule A.

EXCEPTIONS FROM COVERAGE – SCHEDULE B, PART ONE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. 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 and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.

153228

INDEXED...H
RECORDED
PAGE D
COMPARED
RECEIPTED

ORCHARD VIEW ADDITION TONASKET WN.

STATE OF WASHINGTON } ss
COUNTY OF OHANOGAN }

This is to certify that this instrument was filed for record in the office of the Auditor of Ohanogan County on the 13 day of February 1923 at 9 o'clock and 30 min. A.M. at the request of Whitestone Land Settlement Agency and recorded in volume "D" records of Town Plats of said county on pages 1 to 10 inclusive
By Jas H. Silverthorn Auditor Ohanogan County, Wash.
Deputy

DESCRIPTION

The plat of Orchard View Addition embraces a portion of the NE 1/4 of Sec. 16 T37 N. R27 E W.M. and described as follows
Beginning at a point 698.6 feet South and 288.5 feet West of the NE corner of Section 16 T37 N. R27 E W.M. said point being on the center line of the W.O.V.I. Co.'s right of way, thence S. 16° 25' E. a distance of 328.45 feet thence S31° 41' W. a distance of 89.4 feet thence S43° 24' W a distance of 85.3 feet thence S55° 51' W a distance of 117.85 feet thence S 52° 22' W a distance of 93.2 feet thence S43° 16' W a distance of 52.6 feet thence S 33° 18' W. a distance of 34.4 feet thence S 43° 03' W a distance of 73.0 feet thence S. 61° 25' W a distance of 87.1 feet thence S 48° 11' W a distance of 73.3 feet thence S 53° 11' W. a distance of 26.7 feet thence S 8° 0' W a distance of 58.3 feet thence S29° 01' W a distance of 184.3 feet thence S40° 59' W a distance of 28.2 feet thence N 81° 49' W a distance of 45.35 feet thence N. 59° 21' W a distance of 272.45 feet thence N 30° 39' E a distance of 831.9 feet thence on a curve to the left with a radius of 3353.83 feet a distance of 375.0 feet thence S. 66° 51' E. a distance of 800.7 feet to the point of beginning Excepting a strip of land 20 feet wide along East side which is used by the W.O.V.I. Co. for right of way

CERTIFICATE

I, J.W. Mutch certify that this plat is based on an actual survey and that all angles and distances are correct, and the corners properly marked on the ground.
J.W. Mutch
Civil Eng. Oroville Wash.

DEDICATION

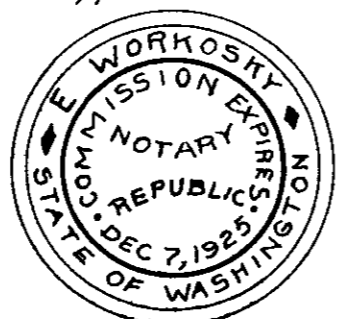
Know all men by these presents, - That we the Bonaparte Land Company, owner in fee simple of the lands hereby platted, hereby declare this plat and hereby dedicate to the use of the public forever all the lands embraced in the streets shown hereon
In witness whereof we have hereunto set our hands this 29th day of January A.D. 1923
Bonaparte Land Company
By Arthur Lund Pres.
By T. C. Dodge Sec.



ACKNOWLEDGMENT.

STATE OF WASHINGTON } s.s.
COUNTY OF OHANOGAN }

On this 29th day of Jan A.D. 1923 before me a Notary Public in and for the State of Washington, personally appeared Arthur Lund to me known to be the President and T.C. Dodge to me known to be the Secretary of the corporation that executed the within dedication, and each acknowledged said dedication to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on the oath stated that they were authorized to execute said dedication and that the seal of said corporation, affixed is the corporate seal of the corporation
In witness whereof, I have hereunto set my hand and official seal the day and year
In this certificate first above written



E. Workashy
Notary Public Tonasket Wash.

TAX CERTIFICATE
I, Dale S. Rice, Treasurer in and for Ohanogan County Wash, hereby certify that all the taxes on the property shown on this plat, to be paid for the year 1922 and prior years
Dale S. Rice
County Treasurer

Examined and approved
this 7 day of Feb 1923
H. A. Nixon
Chairman of board of
County Commissioners
D. C. Warfel
County Engineer

scale 1" = 100'
C A Hines
Civil Eng. Tonasket Wn.

