CHICAGO TITLE INSURANCE COMPANY

a corporation, herein called the Company,

GUARANTEES

Policy No. 72030- 6959

ENCOMPASS ENGINEERING AND SURVEYING

herein called the Assured, against actual loss not exceeding the liability amount stated above which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

LIABILITY EXCLUSIONS AND LIMITATIONS

- 1. No guarantee is given nor liability assumed with respect to the identity of any party named or referred to in Schedule A or with respect to the validity, legal effect or priority of any matter shown therein.
- 2. The Company's liability hereunder shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurance herein set forth, but in no event shall the Company's liability exceed the liability amount set forth above.

Dated: April 4, 2008 at 8:00a.m.

CHICAGO TITLE INSURANCE COMPANY

Authorized Signature

Please note carefully the liability exclusions and limitations and the specific assurances afforded by this guarantee. If you wish additional liability, or assurances other than as contained herein, please contact the Company for further information as to the availability and cost.

SUBDIVISION GUARANTEE

Office File Number

: 0106835

Guarantee Number

48 0035 72030 6959

Dated

April 4, 2008, at 8:00am

Liability Amount

\$ 1,000.00

Premium

\$ 200.00

Tax

\$ 200,00

Your Reference

: SCHMIDT

Name of Assured:

ENCOMPASS ENGINEERING AND SURVEYING

The assurances referred to on the face page are:

That, according to those public records with, under the recording laws, impart constructive notice of matters relative to the following described real property:

TRACT A: FEE SIMPLE:

Lot 3 of Boundary Line Adjustment Survey as recorded April 7, 2008, in Book 35 of Surveys, page 7, under Auditor's File No. 200804070103, records of Kittitas County, Washington; being a portion of the East Half of Section 32, Township 18 North, Range 19 East, W.M., in the County of Kittitas, State of Washington.

TRACT B: EASEMENT:

A non-exclusive easement for ingress and egress as granted in document recorded October 22, 2007, under Kittitas County Auditor's File No. 200710220075.

Title to said real property is vested in:

ANDREW J. SCHMIDT AND MICHELL SCHMIDT, HUSBAND AND WIFE AS TO AN UNDIVIDED FIFTY (50) PERCENT INTEREST AND ANDREW J. SCHMIDT, A MARRIED MAN, AS HIS SEPARATE ESTATE, AS TO AN UNDIVIDED FIFTY (50) PERCENT INTEREST

END OF SCHEDULE A

(SCHEDULE B)

File No. 0106835 Guarantee Number: 48 0035 72030 6959

Subject to the matters shown below under Exceptions, which Exceptions are not necessarily shown in the order of their priority.

EXCEPTIONS:

- 1. Taxes or assessments which 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.
- 2. Unpatented mining claims; reservations or exceptions in the United States Patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
- 3. Title to any property beyond the lines of the real property expressly described herein, or title to streets, roads, avenues, lanes, ways or waterways on which such real property abuts, or the right to maintain therein vaults, tunnels, ramps, or any other structure or improvement; or any rights or easements therein unless such property, rights or easements are expressly and specifically set forth in said description.
- General taxes and assessments for the year 2008 have been paid.

 Amount
 Tax Parcel No.
 Affects

 \$ 58.95
 18-19-32040-0001 (094834)
 Portion of said premises

 \$ 13.48
 18-19-33030-0026 (536136)
 Portion of said premises

5. This property is currently classified under the Open Space Taxation Statute R.C.W. 84.34. Sale of this property without notice of compliance to County Assessor will cause a supplemental assessment, interest, and penalty to be assessed against the seller/transferor.

Note: If it is the intent of the buyer/transferee in this transaction to request a continuance of this classification, please contact the Kittitas County Assessor's Office at (509) 962-7501 for their requirements.

6. Possibility of unpaid assessments levied by the Kittitas Reclamation District, notice of which is given by an amendatory contract recorded in Book 82 of Deeds, page 69, under Kittitas County Auditor's File No. 208267, no search having been made therefore.

To obtain assessment information, please contact the Kittitas Reclamation District: 509-925-6158.

7. Easement, and the terms and conditions thereof, affecting a portion of said premises and for the purposes hereinafter stated, as disclosed by instrument recorded on July 2, 1888, in Volume C, Page 508.

In favor of : D. Kinkade and wife For Irrigating ditch

Affects : A strip of land two feet wide running from North to South across the Southeast

Quarter of the Northeast Quarter of said Section 32.

8. Amendatory Contract, governing reclamation and irrigation matters:

Parties The United States of America and the Kittitas Reclamation District

Dated January 20, 1949

Recorded : May 25, 1949, in Volume 82 of Deeds, page 69

Auditor's File No. : 208267

Affects : Said premises and other lands within the said irrigation district. Said

contract governs construction, charges, protection of water rights, irrigation

rights, obligations, responsibilities and all related matters.

(SCHEDULE B)

File No. 0106835

9. Pendency of Yakima County Superior Court Cause No. 77-2-01484-5, State of Washington, Department of Ecology, Plaintiff, vs. James J. Acquavella, et al, Defendants; notice of which is given by Lis Pendens recorded on October 14, 1977, in Volume 90, page 589, under Kittitas County recording number 417302, and supplemental notice of Lis Pendens recorded June 4, 1980, in Volume 131, page 63, under Auditor's File No. 442263; being an action for the determination of the rights to divert, withdraw, or otherwise make use of the surface waters of the Yakima River Drainage Basin, in accordance with the provisions of Chapters 90.03 and 90.44 Revised Code of Washington.

(Attorney for Plaintiff: Charles B. Roe, Jr., Senior Assistant Attorney General)

 Easement, and the terms and conditions thereof, affecting a portion of said premises and for the purposes hereinafter stated, as granted by instrument recorded on October 22, 2007, under Kittitas County Auditor's File No. 200710220075.

For

A non-exclusive easement for ingress and egress, together with the right to

Guarantee Number: 48 0035 72030 6959

reconstruct, replace, repair, maintain and use said road

Affects

A portion of said premises and other land

END OF EXCEPTIONS

Notes:

Any map or sketch enclosed as an attachment herewith is furnished for information purposes only to
assist in property location with reference to streets and other parcels. No representation is made as
to accuracy and the company assumes no liability for any loss occurring by reason of reliance
thereon.

NOTE: In the event any contracts, liens, mortgages, judgments, etc. which may be set forth herein are not paid off and released in full, prior to or immediately following the recording of the forthcoming plat (short plat), this Company will require any parties holding the beneficial interest in any such matters to join in on the platting and dedication provisions of the said plat (short plat) to guarantee the insurability of any lots or parcels created thereon. We are unwilling to assume the risk involved created by the possibility that any matters dedicated to the public, or the plat (short plat) in its entirety, could be rendered void by a foreclosure action of any such underlying matter if said beneficial party has not joined in on the plat (short plat).

END OF GUARANTEE

CDF/lam

1 cc: Encompass: Dave dpnelson@encompasses.net