

CHICAGO TITLE INSURANCE COMPANY

Policy No. 7215645618035

RECEIVED

APR 03 2017

GUARANTEE

Kittitas County CUS

CHICAGO TITLE INSURANCE COMPANY, a Nebraska corporation, herein called the Company, guarantees the Assured against actual loss not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

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 in Schedule A.

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.

Dated: October 20, 2016

Issued by:

AmeriTitle, Inc.

101 W Fifth

Ellensburg, WA 98926

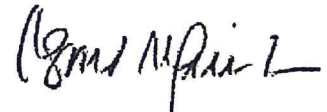
(509)925-1477



Authorized Signer

CHICAGO TITLE INSURANCE COMPANY

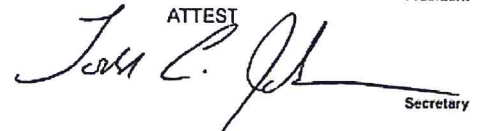
By:



President



ATTEST



Secretary

Note: This endorsement shall not be valid or binding until countersigned by an authorized signatory.

Subdivision Guarantee Policy Number: 7215645618035

SUBDIVISION GUARANTEE

Order No.: 138918AM
Guarantee No.: 7215645618035
Dated: October 20, 2016

Liability: \$1000.00
Fee: \$350.00
Tax: \$28.70

Your Reference: Ptn Lot 3, TRAILHEAD CONDOMINIUM and Lot 4 of SUNCADIA-PHASE 1, DIVISION 12

Assured: Swiftwater Custom Homes

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:

Lot 4 of SUNCADIA-PHASE 1, DIVISION 12, an amended binding site plan, as recorded in Book 39 of Surveys, pages 2 through 5, under Auditor's File No. 201312120007, being a portion of Tract Z-1 of Suncadia Phase 1, Division 9, as per plat thereof recorded in Book 11 of Plats, pages 78 through 82, in the County of Kittitas, State of Washington;

AND

That portion of Lot 3, of Trailhead Condominium, in the County of Kittitas, State of Washington, as recorded in Book 11 of Plats, pages 199 through 205, and amended by first amendment recorded in Book 12 of Plats, pages 85 through 88, and according to the amended and restated declaration thereof recorded under Auditor's File No. 201312120009 and rerecorded under Auditor's File No. 201401060036, records of said County, which is bounded by a line described as follows:

Commencing at the Northeast corner of said Lot 3, said corner being common to the Southeast corner of said Lot 4 and the true point of beginning of said line;

Thence South 13°21'25" East, along the Easterly boundary line of said Lot 3, 52.00 feet;

Thence South 77°22'47" West, 120.01 feet;

Thence North 13°21'25" West, 52.00 feet to a point on the Southerly boundary line of said Lot 4;

Thence North 77°22'47" East, 120.01 feet to the true point of beginning and terminus of said line.

Title to said real property is vested in:

Highway 9 Office Park Center LLC, a Washington limited liability company as to Lot 4 and Unit Owners Association of Trailhead Condominium, as representative of the owners of individual condominium units

END OF SCHEDULE A

Subdivision Guarantee Policy Number: 7215645618035

(SCHEDULE B)

Order No: 138918AM
Policy No: 7215645618035

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.
4. Any lien for service, installation, connection, maintenance, tap, capacity or construction or similar charges for sewer, water, electricity, natural gas or other utilities, or for garbage collection and disposal not shown by the Public Records
5. Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
6. General Taxes and Assessments – total due may include fire patrol assessment, weed levy assessment and/or irrigation assessment, if any. Taxes noted below do not include any interest or penalties which may be due after delinquency.

Note: Tax year runs January through December with the first half becoming delinquent May 1st and second half delinquent November 1st if not paid. For most current tax information or tax printouts visit: or call their office at (509) 962-7535.

Tax Year: 2016
Tax Type: County
Total Annual Tax: \$5,144.46
Tax ID #: 954846
Taxing Entity: Kittitas County Treasurer
First Installment: \$2,572.23
First Installment Status: Paid
First Installment Due/Paid Date: April 30, 2016
Second Installment: \$2,572.23
Second Installment Status: Due
Second Installment Due/Paid Date: October 31, 2016
Affects Lot 4

Note: No tax parcel exists for the portion of Lot 3 described herein as it is assessed as common area through the units in the development.

7. Liens, levies and assessments of the Suncadia Residential Owner's Association.
8. Liens, levies and assessments of the Suncadia Community Council.
9. Liens, levies and assessments of the Assessments for Community Enhancement.

Said instrument provides for the lien of a fee which is due upon transfer of the Land. The transfer-conveyance fee is required to be paid upon any sale, exchange, assignment, option, assignment of lease, transfer, or conveyance of said Land.

10. Liens, levies and assessments of the Unit Owners Association of Trailhead Condominium.
Affects: Ptn Lot 3
11. Assessment in the amount of \$3,900 as setforth in Agreement and Covenant for Collection and Payment of Combined Qualification Payment for Extension of Natural Gas Service, between Mountainstar Resort Development, LLC and Puget Sound Energy, Inc., including the terms and provisions contained therein, recorded April 16, 2004, under Auditor's File No. 200404160016 and as amended by document recorded October 26, 2006, under Auditor's File No. 200610260039.
12. At the request of the insured, we have agreed to eliminate any reference in the policy to issue as to the pendency of Yakima County Superior Court Cause No. 77-2-01484-5 on the agreed-upon understanding that there are no provisions in said policy which afford, or are intended to afford, insurance that there is a present or continuing right to use surface waters of the Yakima River Drainage Basin. The sole purpose of said paragraph appearing in our Guarantee was to advise the insured that such an action is pending of record and that judgment adjudicating such surface waters are being sought in accordance with the statutes of the State.
13. Reservation of Oil, gas, minerals, or other hydrocarbons, including the terms and provisions contained therein, in deed from Jeld-Wen, Inc., an Oregon corporation.
Recorded: October 11, 1996
Instrument No.: 199610110015
The Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.
14. Agreement and the terms and conditions contained therein
Between: Kittitas County, a Washington municipal corporation
And: Suncadia LLC, a Delaware Limited Liability Company
Purpose: Amended and Restated Development Agreement
Recorded: April 16, 1990
Instrument No.: 200904160090

Resolution No. 2009-78 adopting the Seventh Amendment to Development Agreement, and the terms and conditions thereof, recorded June 12, 2009, under Auditor's File No.:200906120039.

15. Agreement and the terms and conditions contained therein
Between: Mountainstar Resort Development, LLC
And: Puget Sound Energy, Inc.
Purpose: Agreement and Covenant for Collection and Payment of Combined Qualification Payment for Extension of Natural Gas Service
Recorded: April 16, 2009
Instrument No.: 200404160016

16. An easement including the terms and provisions thereof for the purpose shown below and rights incidental thereto as set forth in instrument:
Granted To: Suncadia Environmental Company, LLC, a Washington Limited Liability Company
Purpose: Storm Drainage Utility Easement
Recorded: October 23, 2007
Instrument No.: 200710230009
Affects: Portion of subject property

17. Covenants, conditions and restrictions, but omitting any covenant or restriction based on race, color, religion, sex, sexual orientation, disability, handicap, familial status, marital status, ancestry, national origin or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.
Recorded: July 20, 2004
Instrument No.: 200407200037

Modification(s) of said covenants, conditions and restrictions
Recorded: December 19, 2007
Instrument No: 200712190004

Modification(s) of said covenants, conditions and restrictions
Recorded: March 27, 2009
Instrument No: 200903270051

Note: Supplementals One through Seven and Nine through Eleven do not affect the subject property.

18. Covenants, conditions and restrictions, but omitting any covenant or restriction based on race, color, religion, sex, sexual orientation, disability, handicap, familial status, marital status, ancestry, national origin or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.
Recorded: July 20, 2004
Instrument No.: 200407200038

Modification(s) of said covenants, conditions and restrictions
Recorded: December 19, 2007
Instrument No: 200712190005

Modification(s) of said covenants, conditions and restrictions
Recorded: March 27, 2009
Instrument No: 200903270053

Note: Supplementals One through Eleven and Thirteen do not affect the subject property.

19. Covenants, conditions and restrictions, but omitting any covenant or restriction based on race, color, religion, sex, sexual orientation, disability, handicap, familial status, marital status, ancestry, national origin or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

Recorded: July 20, 2004

Instrument No.: 200407200039

Modification(s) of said covenants, conditions and restrictions

Recorded: December 19, 2007

Instrument No: 200712190002

Modification(s) of said covenants, conditions and restrictions

Recorded: March 27, 2009

Instrument No: 200903270052

Note: Supplementals One through Eleven and Thirteen do not affect the subject property.

20. An easement including the terms and provisions thereof for the purpose shown below and rights incidental thereto as set forth in instrument:

Granted To: Puget Sound Energy, Inc., a Washington corporation

Purpose: Purposes of transmission, distribution and sale of gas and electricity

Recorded: February 24, 2009

Instrument No.: 200902240025

Affects: Portion of said premises and other land

21. Rights, interests, or claims which may exist or arise by reason of the following fact(s) shown on a survey plat entitled Trailhead Condominium Plat, in Book 11 of Plats, pages 199 through 205

Recorded: June 3, 2009

Instrument No.: 200906030046

Fact(s):

a) Dedication thereon

b) 10' utilities easements

c) Notes contained thereon

Affects: Portion of Lot 3

22. Covenants, conditions and restrictions, but omitting any covenant or restriction based on race, color, religion, sex, sexual orientation, disability, handicap, familial status, marital status, ancestry, national origin or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

Recorded: December 12, 2013

Instrument No.: 201312120009

Said document was rerecorded January 6, 2014 under Auditor's File No.:201401060036.

Said document entirely replaces the original Declaration recorded June 3, 2009, under Auditor's File No.:200906030047

23. Rights, interests, or claims which may exist or arise by reason of the following fact(s) shown on a survey plat entitled First Amendment to the Survey Map and Plans for Trailhead Condominium Plat
Recorded: December 12, 2013, in Book 12 of Plats, pages 85 through 88
Instrument No.: 201312120008
Fact(s):
a) Dedication thereon
b) Easements as shown thereon
c) Notes contained thereon
24. An easement including the terms and provisions thereof for the purpose shown below and rights incidental thereto as set forth in instrument:
Granted To: Puget Sound Energy, Inc., a Washington corporation
Purpose: Transmission, distribution and sale of electricity and natural gas
Recorded: January 27, 2010
Instrument No.: 201001270024
Affects: 10 foot strip adjoining all road shown on the plat
25. Rights, interests, or claims which may exist or arise by reason of the following fact(s) shown on a survey plat entitled Suncadia Phase 1 Division 12, an amended binding site plan
Recorded: December 12, 2013
Book: 39 Page: 2 through 5
Instrument No.: 201312120007
Fact(s): Access and utility easements and all notes contained thereon
26. Agreement and the terms and conditions contained therein
By: East AHM Development LLC, a Washington limited liability company
Purpose: Declaration of Driveway and Access Easement Agreement
Recorded: December 12, 2013
Instrument No.: 201312120012
Affects Lot 4
27. A Deed of Trust, including the terms and provisions thereof, to secure the amount noted below and other amounts secured thereunder, if any:
Amount: \$2,500,000.00
Trustor/Grantor: Watson Properties, L.P. a Washington limited partnership and Mountain Glen Management, LLC, a Washington limited liability company
Trustee: Guardian Northwest Title and Escrow
Beneficiary: Westside Meadows, a Washington limited liability company
Dated: December 23, 2014
Recorded: December 31, 2014
Instrument No.: 201412310043
Affects Lot 4
- Subordination Agreement referencing: Instrument No.: 201608180043
And: Instrument No.: 201412310043
Recorded: August 18, 2016
Instrument No: 201608180044

28. A Deed of Trust, including the terms and provisions thereof, to secure the amount noted below and other amounts secured thereunder, if any:
Amount: \$350,000.00
Trustor/Grantor: Highway 9 Office Park Center LLC, a Washington limited liability company
Trustee: AmeriTitle
Beneficiary: First American Exchange of Skagit County, as facilitator under a 1031 Deferred Exchange Agreement for Watson Properties, L.P.
Dated: April 22, 2016
Recorded: April 22, 2016
Instrument No.: 201604220059
Affects Lot 4

Subordination Agreement referencing: Instrument No.: 201608180043
And: Instrument No.: 201604220059
Recorded: August 18, 2016
Instrument No: 201608180045

29. A Deed of Trust, including the terms and provisions thereof, to secure the amount noted below and other amounts secured thereunder, if any:
Amount: \$1,500,000.00
Trustor/Grantor: Highway 9 Office Park Center LLC, a Washington limited liability company
Trustee: Chicago Title Insurance Company
Beneficiary: J&J Dakota, LLC, a Nevada limited liability company
Dated: August 10, 2016
Recorded: August 18, 2016
Instrument No.: 201608180043

Subordination Agreement referencing: Instrument No.: 201608180043
And: Instrument No.: 201412310043
Recorded: August 18, 2016
Instrument No: 201608180044

Subordination Agreement referencing: Instrument No.: 201608180043
And: Instrument No.: 201604220059
Recorded: August 18, 2016
Instrument No: 201608180045

30. Any monetary encumbrances against individual condominium units and their undivided interest in common elements.

END OF EXCEPTIONS

Notes:

Note No. 1: All documents recorded in Washington State must include an abbreviated legal description and tax parcel number on the first page of the document. The abbreviated description for this property is: Ptn Lot 3, TRAILHEAD CONDOMINIUM, Book 11 of Plats, pages 199 through 205, amended by First Amendment, Book 12 of Plats, pages 85 through 88 and Lot 4 of SUNCADIA-PHASE 1, DIVISION 12, Book 39 of Surveys, pages 2 through 5, ptn of Tract Z-1 of Suncadia Phase 1, Division 9, Book 11 of Plats, pages 78 through 82.

Note No. 2: Any map or sketch enclosed as an attachment herewith is furnished for informational 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