

CHICAGO TITLE INSURANCE COMPANY

a corporation, herein called the Company,

GUARANTEES

Policy No. 72030- 4 4 3 0

ENCOMPASS

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: MAY 31, 2006 AT 8:00 A.M.

CHICAGO TITLE INSURANCE COMPANY

By *Cathy Fisher*
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.

Issued by:
AMERITITLE
P.O. BOX 617
101 WEST 5TH AVENUE
ELLENSBURG, WA 98926
(509) 925-1477



SUBDIVISION GUARANTEE

Office File Number : 0101390
Guarantee Number : 48 0035 72030 4430
Dated : May 31, 2006, at 8:00am
Liability Amount : \$ 1,000.00
Premium : \$ 200.00
Tax : \$ 15.40

Your Reference : Walker

Name of Assured: **Encompass Engineering & 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:

Lot 11, of that certain Survey as recorded March 10, 2004, in Book 30 of Surveys, page 14, under Auditor's File No. 200403100031, records of Kittitas County, Washington; being a portion of the Northwest Quarter of Section 16, Township 18 North, Range 18 East, W.M., in the County of Kittitas, State of Washington.

Title to said real property is vested in:

R. BRUCE WALKER AND SHARRYN R. WALKER, HUSBAND AND WIFE

END OF SCHEDULE A

(SCHEDULE B)

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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. General taxes and assessments for the year 2006 have been paid.
Amount : \$3,934.00
Tax Parcel No. : 18.18.16000.0023 (21199)
5. 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 therefor.

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

6. An easement for right of way for irrigation ditch over the Northwest Quarter of the Northwest Quarter and the South Half of the Northwest Quarter of Section 16, as contained in contract dated May 20, 1916, between the State of Washington as Vendor and L.J. Gardinier as Vendee, and recorded in Book 37 of Deeds, page 246, under Auditor's File No. 63607.
7. Exceptions and Reservations as contained in Instrument
From : State of Washington
Dated : October 24, 1921
Recorded : October 27, 1921 in Volume 37, page 312
Auditor's File No. : 64051
Affects : Said premises and other land, as follows:

"The grantor hereby expressly saves, excepts and reserves out of the grant hereby made, unto itself, its successors, and assigns forever, all oils, gases, coal, ore, minerals and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oil, gases, coal, ores, minerals and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its successors and assigns forever, the right to enter by itself, its agents, attorneys and servants upon said lands or any part or parts thereof, at any and all times, for the purpose of opening, developing and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns forever, the right by its or their agents, servants and attorneys at any all time to erect, construct, maintain and use all such buildings, machinery, roads and railroads, sink such shafts,

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(EXCEPTION NO. 7 CONTINUED)

remove such soil, and to remain on said lands or any part thereof for the business of mining and to creation of such mining business hereby expressly reserving to itself, its successors and assigns, as aforesaid, generally all rights and powers in, to and over said lands, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved." Provided, that no rights shall be exercised under this reservation by the State, its successors or assigns, until provisions has been made by the State, its successors or assigns to pay to the owner of the land upon which the rights herein reserved to the State, its successors or assigns or sought to be exercised, full payment all damages sustained by said owner, by reason of entering upon said land.

The interest excepted above has not been examined and subsequent transactions affecting said interest or taxes levied against same are not reflected in this title report.

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.
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)
10. Rights of way for necessary conduits and facilities for the distribution of water and the right of entry for repair and maintenance, as reserved in deed;
Dated : June 3, 1994
Recorded : June 14, 1994, in Volume 355, page 1205
Auditor's File No. : 571771
11. Matters disclosed and/or delineated on that certain Survey recorded May 10, 2004, in Book 30 of Surveys, Page 14, under Auditor's File No. 200403100031, as follows:
 - a) 60' Easement "S" and cul-de-sac affecting a portion of Lot 11 and other land
 - b) Notes contained thereon;
 - c) KRD notes contained thereon

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12. 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 17, 2005, under Kittitas County Auditor's File No. 200510170016.
In favor of : Theodore L. Leavitt and Marilee M. Kiene
For : Ingress and egress
Affects : Easement "S", sixty feet in width, and 55' radius cul-de-sac, along the East boundary of Lot 11.

13. Declaration of Protective Covenants, Restrictions and Easements recorded April 14, 2006, under Kittitas County Auditor's File No. 200604140039, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, 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.

END OF EXCEPTIONS

Notes:

1. 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.

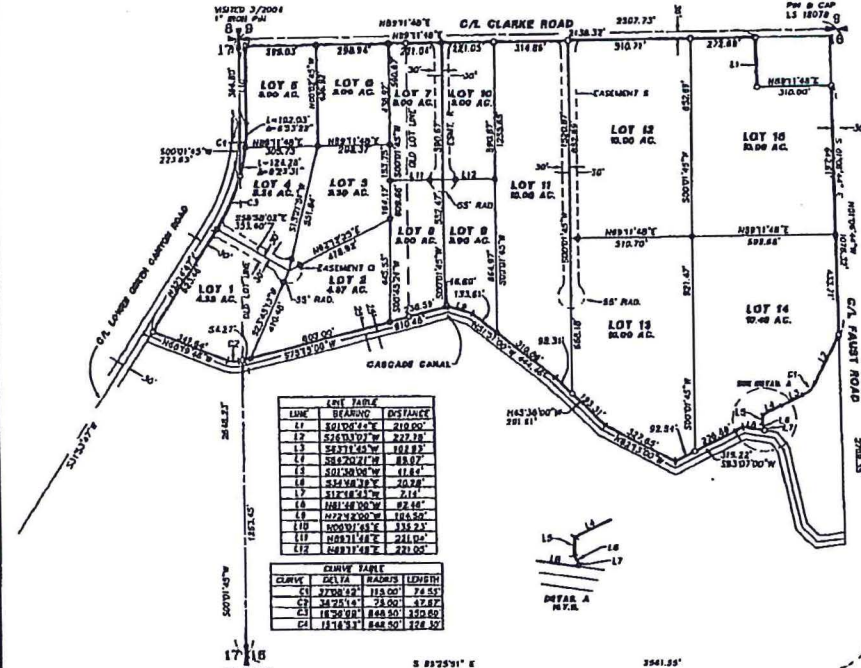
NOTE: In the event any contracts, liens, mortgages, judgments, etc. which may be set forth herein are not paid off and released in full, prior to or immediately following the recording of the forthcoming plat (short plat), this Company will require any parties holding the beneficial interest in any such 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/bj

1cc: Encompass

TAX LOT SEGREGATION AND BOUNDARY LINE ADJUSTMENT PORTIONS OF SECTIONS 16 AND 17 TOWNSHIP 18 NORTH, RANGE 10 EAST, W.M. KITITAS COUNTY, WASHINGTON



LINE	BEARING	DISTANCE
1	S01D54°47'W	210.00'
2	S74D33°07'W	222.37'
3	S87D12°45'W	162.25'
4	S82D20°17'W	88.07'
5	S01D30°04'W	41.84'
6	S14°08'30"W	70.30'
7	S18°18'51"W	2.14'
8	N81D58°00'W	82.48'
9	N72°28'00"W	165.50'
10	N08D30°43"E	332.23'
11	N88D11°42"E	241.00'
12	S48D12°58"E	221.00'

CURVE	DATA	BEARINGS	LENGTH
C1	2720.72'	115.00'	74.51'
C2	2425.14'	25.00'	47.87'
C3	1426.00'	88.50'	330.60'
C4	1518.37'	84.50'	154.20'

- LEGEND**
- ✚ SECTION CORNER COMMON TO FOUR SECTIONS.
 - ⊕ QUARTER CORNER COMMON TO TWO SECTIONS.
 - SET 1/2" REBAR
 - PAD REBAR
 - SECTION LINE
 - - - - QUARTER SECTION LINE



RECORDER'S CERTIFICATE 200403100031...
 Filed for record this 10 day of March, 2004 at 10:21:04 AM in book 50 of SURVEYS, at page 14, at the request of DAVID P. NELSON, Surveyor.
 DAVID P. NELSON, County Auditor

SURVEYOR'S CERTIFICATE
 This map correctly represents a survey made by me or under my direction in conformance with the requirements of the Survey Recording Act of the State of Washington, effective FEBRUARY 2004.
 DAVID P. NELSON
 Certificate No. 18092

EASTSIDE CONSULTANTS, INC.
 854 PENNSYLVANIA AVE.
 CLE ELSON, WASHINGTON 98922
 PHONE: (206)4-7433
 FAX: (206)4-7411

SEGREGATION/BOUNDARY LINE ADJUSTMENT PREPARED FOR THREE B FARMS			
PORTIONS OF SECTION 16 & 17 TOWNSHIP 18N, RANGE 10E, W.M.			
KITITAS COUNTY	DATE	JOB NO.	WASHINGTON
DWT BY G. WEISER	03/20/04	04506	
CHD BY D. NELSON	SCALE 1"=300'	SHEET 1 of 1	

- NOTES:**
- THIS SURVEY WAS PERFORMED USING A TOPCON GTS-3C TOTAL STATION. THE CONTROLLING MONUMENTS AND PROPERTY CORNERS THRU HEREON WERE LOCATED, STAKED AND CHECKED FROM A CLOSED FIELD TRAVELER IN EXCESS OF 1:10,000 LINEAR CLOSURE AFTER AZIMUTH ADJUSTMENT.
 - THIS SURVEY MAY NOT SHOW ALL EASEMENTS WHOI MAY PERTAIN TO THIS PROPERTY.
 - FOR ADDITIONAL SURVEY INFORMATION, BASIS OF MEASUREMENTS AND CORNER DOCUMENTATION SEE THE FOLLOWING SURVEYS OF RECORD: BOOK 11 OF SURVEYS, PAGE 68; BOOK 20 OF SURVEYS, PAGES 189 & 170; BOOK 8 OF SHORT PLATS, PAGES 217 & 218 AND THE SURVEYS REFERENCED THEREIN.
 - THE LOCATION SHOWN HEREON FOR LOWER GREEN CANYON ROAD IS BASED ON PLANS ON FILE AT THE KITITAS COUNTY DEPT. OF PUBLIC WORKS. THE LOCATIONS SHOWN FOR FAUST AND CLARKE ROADS ARE BASED ON DEDICATION DOCUMENTS ON FILE AT SAME LOCATION.
 - THE LOCATION SHOWN HEREON FOR THE CASCADE IRRIGATION DISTRICT CANAL IS BASED ON THE INFORMATION SHOWN ON THE RIGHT OF WAY DOCUMENT FILED IN VOLUME 30 OF BOOK PAGE 394, RECORDS OF KITITAS COUNTY, WASHINGTON AND THE PHYSICAL CENTERLINE OF THE CANAL.
- EXISTING LEGAL DESCRIPTIONS:**
- LOTS A, B, C AND D OF THAT CERTAIN SURVEY RECORDED DECEMBER 15, 1894 IN BOOK 20 OF SURVEYS, PAGES 189 & 170 UNDER AUDITOR'S FILE NUMBER 877704, RECORDS OF KITITAS COUNTY, STATE OF WASHINGTON, BEING A PORTION OF THE NORTH-EAST QUARTER OF SECTION 17 AND THE NORTH-WEST QUARTER OF SECTION 16, ALL IN TOWNSHIP 18 NORTH, RANGE 10 EAST, W.M., KITITAS COUNTY, STATE OF WASHINGTON.
- AND
- LOT E-1 OF THE HABERSHAM SHORT PLAT 57-34-83 AS PER SHORT PLAT RECORDED IN BOOK 8 OF SHORT PLATS, PAGES 217 & 218, UNDER AUDITOR'S FILE NUMBER 262574, RECORDS OF KITITAS COUNTY, STATE OF WASHINGTON.

- KRD NOTES:**
- ACCORDING TO KITITAS RECLAMATION DISTRICT (KRD) RECORDS, LOT 1 HAS 2.00 IRRIGABLE ACRES, LOT 2 HAS 4.00 IRRIGABLE ACRES, LOT 3 HAS 3.00 IRRIGABLE ACRES, LOT 4 HAS 3.00 IRRIGABLE ACRES, LOT 5 HAS 3.00 IRRIGABLE ACRES, LOT 6 HAS 3.00 IRRIGABLE ACRES, LOT 7 HAS 3.00 IRRIGABLE ACRES, LOT 8 HAS 3.00 IRRIGABLE ACRES, LOT 9 HAS 3.00 IRRIGABLE ACRES, LOT 10 HAS 3.00 IRRIGABLE ACRES, LOT 11 HAS 11.00 IRRIGABLE ACRES, LOT 12 HAS 16.00 IRRIGABLE ACRES, LOT 13 HAS 10.00 IRRIGABLE ACRES, LOT 14 HAS 11.00 IRRIGABLE ACRES AND LOT 15 HAS 10.00 IRRIGABLE ACRES, KRD WATER MAY ONLY BE APPLIED TO IRRIGABLE ACRES.
 - FULL PAYMENT OF ANNUAL KRD ASSESSMENT IS REQUIRED REGARDLESS OF THE USE OR NON-USE OF WATER BY THE OWNER.
 - THE LANDOWNERS MUST PROVIDE FOR THE APPOINTMENT OF ONE WATER MASTER FOR EACH TURNOUT, WHO SHALL BE RESPONSIBLE FOR ORDERING WATER FOR THE ENTIRE PROPERTY. THE WATER MASTER WILL BE RESPONSIBLE FOR KEEPING WATER USE RECORDS FOR EACH LOT. KRD WILL ONLY BE RESPONSIBLE FOR KEEPING RECORDS ON THE TOTAL WATER ORDERED AT THE KRD TURNOUT.
 - KRD OPERATIONS AND MAINTENANCE ROADS ARE FOR DISTRICT USE ONLY. RESIDENTIAL AND RECREATIONAL USE IS PROHIBITED.
 - KRD IS ONLY RESPONSIBLE FOR DELIVERY OF WATER TO THE INDIEST FEASIBLE POINT ON EACH 160 ACRE UNIT OR DESIGNATED TURNOUT. THE KRD IS NOT RESPONSIBLE FOR WATER DELIVERY LOSS (SEEPAGE, EVAPORATION, ETC.) BELOW THE DESIGNATED TURNOUT.

Compliments of AmerTitle
 This sketch is furnished for informational purposes only to assist in property location with references to streets and other parcels. No representation is made as to accuracy and the Company assumes no liability for any occurring by reason of reliance thereon.