CHICAGO TITLE INSURANCE COMPANY

a corporation, herein called the Company,

GUARANTEES

Policy No. 72030- 4446 CRUSE & ASSOCIATES

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: <u>JUNE 16</u>, 2006

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.

RECEIVED

JUN 23 2006

Kittitas County CDS

SUBDIVISION GUARANTEE

Office File Number : 00101706

Guarantee Number : 48 0035 72030 4446

Dated

June 16, 2006, at 8:00am

Liability Amount

: \$ 1,000.00

Premium

: \$ 200.00

Tax

\$ 15.40

Your Reference

: DDCDLC, LLC

Name of Assured:

Cruse & Associates

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:

Parcel D of that certain Survey as recorded May 11, 2006, in Book 32 of Surveys, pages 158 through 160, under Auditor's File No. 200605110005, records of Kittitas County, Washington; being a portion of the Northwest Quarter of Section 23, Township 18 North, Range 18 East, W.M., in the County of Kittitas, State of Washington.

Title to said real property is vested in:

DCCDLC, LLC, A WASHINGTON LIMITED LIABILITY COMPANY

END OF SCHEDULE A

Guarantee Number: 48 0035 72030 4446

File No. 00101706

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

\$0.00

Tax Parcel No. :

18-18-23000-0013 (11190)

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 therefor.

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

7. 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.

File No. 00101706 Guarantee Number: 48 0035 72030 4446

8. 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)

9. AGREEMENT, and the terms and conditions thereof

First Party

Rex Rice

Second Party

Kittitas Reclamation District

Purpose

Determining the prorated share of cost and maintenance of installing a turnout and weir, approximately one half mile of lateral and an under shot

turnout and weir, approximately one half mile of lateral and an under shot under the County Road. That said second party will furnish water to the

first party.

Dated

April 7, 1964

Recorded

May 6, 1964, in Book 115, page 173

Auditor's File No.

312423

 Unrecorded easement, and the terms and conditions thereof, dated February 2, 1979 executed by Lester Sperline and Beverly J. Sperline, constructive notice of which is given by recital in instrument recorded on March 7, 1979, in Volume 111, Page 528, under Kittitas County Auditor's File No. 430427.

In favor of

: Cascade Irrigation District, a municipal corporation

For

: An easement

Affects

: A strip of land 15 feet wide over and across the following land:

"Beginning at a point on the most Easterly point of the Cascade Irrigation District Canal lying within the Southwest 1/4 of the Northwest 1/4 of Section 23, Township 18 North, Range 28 East, W.M., and thence running in a Northeasterly direction

along the bottom of a draw 535 feet to the end of said easement."

- Matters disclosed on the Survey recorded October 21, 2005, Book 31, Pages 216 and 217, under Auditor's File No. 200510210012, including but not limited to the following:
 - a) Location of Easement "Q" and existing access
 - b) Notes as contained thereon

12. DEED OF TRUST, and the terms and conditions thereof:

Grantor

: DCCDLC, LLC, a Washington Limited Liability Company

Trustee

AmeriTitle

Beneficiary

Amerilitie

Beneficiary

: Equity Network, a Washington Limited Liability Company

Amount Dated

: \$493,051.63, plus interest

Recorded

: March 1, 2006 : March 16, 2006

Auditor's File No.

: 200603160009

Affects

: Said parcel and other land

File No. 00101706 Guarantee Number: 48 0035 72030 4446

EXCEPTION NO. 12, CONTINUED

Assignment of said Deed of Trust;

Assignee Equity Trust Company Custodian FBO Daniel R. Huntington

IRA No. 40176, as to an undivided Sixty Two percent (62%) interest; James E. Thompson, an unmarried manas his separate estate, as to an undivided Fifteen and 32/100 percent (15.32%) interest, James E. Thompson, TTEE, for Thompson Land, LLC PS Trust Profit Sharing Plan, as to an undivided Twelve and 37/100 percent (12.37%) interest and Richard Powers and Anabelle Powers, husband and wife, as

to an undivided Ten and 31/100 percent (10.31%) interest

Dated March 21, 2006 Recorded March 24, 2006 200603240026 Auditor's File No.

13. Matters disclosed on the Survey recorded May 11, 2006, Book 32, Pages 158 through 160, under Auditor's File No. 200605110005, including but not limited to the following:

Location of Easement "W" a)

Notes as contained thereon b)

14. Declaration of Covenants, Easements, Conditions and Restrictions for Saddlerock Estates, recorded June 12, 2006, under Kittitas County Auditor's File No. 200606120018, 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.

15. Road Maintenance Agreement, and the terms and conditions thereof, executed by and between the parties herein named:

Between DCCDLC, LLC, a Washington Limited Liability Company

Dated June 12, 2006 Recorded June 12, 2006 Auditor's File No. 200606120019

END OF EXCEPTIONS

File No. 00101706 Guarantee Number: 48 0035 72030 4446

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/kdb

2CC: Marsha/Cruse & Associates