

**CORE DESIGN, INC.  
BELLEVUE WA 98007**

Core Project No: 06093  
5/24/07

**LEGAL DESCRIPTION**

Parcel A:

Government Lot 4, Section 11, Township 40 North, Range 3 West of W.M., except County Roads along the North and West line thereof, together with the tidelands of the Second Class, Situate in front of, adjacent to, or abutting upon said Lot 4, with a frontage of 21.72 lineal chains more or less.

Situate in Whatcom County, Washington

Parcel B:

Beginning at the Northwest Corner of Section 12, Township 40 North, Range 3 West of the W.M.; thence South along Section line between Sections 11 and 12, to U.S. Meander Line; thence in a Southeasterly direction along said Meander line 130 feet; thence North 349.5 feet; thence East 158.2 feet; thence North 1980.0 feet, more or less to the North line of said Section 12; thence West along the North line of said Section 12 to the place of beginning, except County Road along the North line thereof, together with the tidelands of the Second Class, Situate in front of, adjacent to, or abutting upon said West 130 feet, as measured along the Government Meander Line, of Government Lot 1, Section 12, Township 40 North, Range 3 West of W.M., wit a frontage of 1.97 lineal chains more or less.

Situate in Whatcom County Washington

Parcel C:

All of Government Lot 1 and the Northwest quarter of the Northwest quarter of Section 12, Township 40 North, Range 3 West of W.M., EXCEPTING therefrom a tract conveyed to Johannes Simundson by deed recorded in Volume 103 of deeds, page 634, records of Whatcom County, Washington. Also EXCEPT the East 300 feet of the Northwest quarter of the Northwest quarter and of Government Lot 1. Also EXCEPT a tract beginning 300 feet West of the Northeast corner of the Northwest quarter of the Northwest of said Section; thence South 400 feet; thence West 300 feet; thence North 400 feet; thence East 300 feet to the point of beginning, and also EXCEPT APA Road.

Situate in Whatcom County, Washington.

**COMMITMENT FOR TITLE INSURANCE  
SCHEDULE A**

1. **Effective Date:** August 15, 2006 at 8:00 A.M.                      **Order No:** 197119

2. **Policy or Policies to be issued:**

(x) ALTA OWNER'S POLICY - (10-17-92)  
Standard Coverage

Amount:	\$6,120,000.00
Premium:	\$9,460.00
Sales Tax:	<u>\$794.64</u>
Total:	\$10,254.64

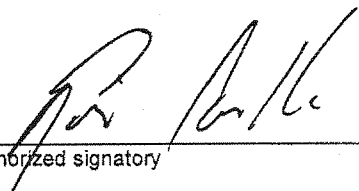
Proposed Insured:  
Cassimar US Inc., a Washington corporation

3. **The estate or interest in the land which is covered by this Commitment is:**

Fee Simple Estate

4. **Title to the estate or interest in the land is at the effective date hereof vested in:**

Bradbury Enterprises, Inc., a Washington corporation, as to an undivided 1/3 interest;  
Beverly J. Nielson, as trustee of the Ronald Alvin Nielson Exemption Equivalent trust, as  
to an undivided 1/3 interest; George T. Champion, and Bonita J. Champion, trustees of  
the Champion Family Trust, restated March 13, 1991, as to an undivided 1/6 interest  
and Bonita J. Champion, a married woman as to an undivided 1/6 interest

  
\_\_\_\_\_  
authorized signatory

**SCHEDULE A**  
**(continued)**

**5. The land referred to in this commitment is described as follows:**

Parcel A:

Government Lot 4, Section 11, Township 40 North, Range 3 West of W.M., except County Roads along the North and West line thereof, together with the tidelands of the Second Class, Situate in front of, adjacent to, or abutting upon said Lot 4, with a frontage of 21.72 lineal chains more or less.

Situate in Whatcom County, Washington

Parcel B:

Beginning at the Northwest corner of Section 12, Township 40 North, Range 3 West of the W.M.; thence South along Section line between Sections 11 and 12, to U.S. Meander Line; thence in a Southeasterly direction along said Meander line 130 feet; thence North 349.5 feet; thence East 158.2 feet; thence North 1980.0 feet, more or less to the North line of said Section 12; thence West along the North line of said Section 12 to the place of beginning, except County Road along the North line thereof, together with the tidelands of the Second Class, Situate in front of, adjacent to, or abutting upon said West 130 feet, as measured along the Government Meander Line, of Government Lot 1, Section 12, Township 40 North, Range 3 West of W.M., wit a frontage of 1.97 lineal chains more or less.

Situate in Whatcom County, Washington

## SCHEDULE B

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

### GENERAL EXCEPTIONS:

- A. Rights of claims disclosed only by possession, or claimed possession, of the premises.
- B. Encroachments and question of locations, boundary and area disclosed only by inspection of the premises or by survey.
- C. Easements, prescriptive rights, rights-of-way, streets, roads, alleys or highways not disclosed by the public records.
- D. Any lien, or right to a lien, for contributions to employee benefit funds, or for state workers' compensation, or for services, labor, or material heretofore or hereafter furnished, all as imposed by law, and not shown by the public records.
- E. Taxes or special assessments which are not yet payable or which are not shown as existing liens by the public records.
- F. Any service, installation, connection, maintenance, tap, capacity or construction charges for sewer, water, electricity, natural gas or other utilities, or garbage collection and disposal.
- G. Reservations and exceptions in United States Patents or in Acts authorizing the issuance thereof.
- H. Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
- I. Water rights, claims or title to water.
- J. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records, or attaching subsequent to the effective date hereof but prior to the date the Proposed Insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.

*Continued...*

**SPECIAL EXCEPTIONS:**

1. Easement, including its terms, covenants and provisions as granted by instrument;  
Recorded: May 26, 1931  
Recording No.: 396971  
In Favor Of: Puget Sound Power and Light Company, a Massachusetts corporation  
For: Electric transmission and/or distribution line.  
Affects: A portion of Parcel A
  
2. Easement, including its terms, covenants and provisions as granted by instrument;  
Recorded: May 26, 1941  
Recording No.: 396968  
In Favor Of: Puget Sound Power and Light Company, a Massachusetts corporation  
For: Electric transmission and/or distribution line.  
Affects: Portion of Parcel A
  
3. Easement, including its terms, covenants and provisions as granted by instrument;  
Recorded: June 15, 1962  
Recording No.: 931747  
In Favor Of: Puget Sound Power and Light Company, a Massachusetts corporation  
For: Electric transmission and/or distribution line.  
Affects: Portion of Parcel A
  
4. Easement, including its terms, covenants and provisions as granted by instrument;  
Recorded: November 4, 1964  
Recording No.: 977291  
In Favor Of: Puget Sound Power and Light Company  
For: Electric line, anchors, wires and fixtures  
Affects: Portion of Parcel B
  
5. Exceptions and reservations contained in Deed whereby the Grantor excepts and reserves all oils, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing and working mines, etc., provided that no rights shall be exercised until provision has been made for full payment of all damages sustained by reason of such entry;  
From: The State of Washington  
Recording No.: 708948 and 1017127

6. Any question that may arise due to shifting or change of the line of high water of the Gulf of Georgia or due to the Gulf of Georgia having shifted or changed its line of high water.
7. Any prohibition or limitation on the use, occupancy or improvements of the land resulting from the rights of the public or riparian owners to use any waters which may cover the land or to use any portion of the land which is now or may formerly have been covered by water, and the right of use, control or regulation by the United States of America in exercise of power over navigation.
8. Any question that may arise as to the location of the lateral boundaries of the tidelands or shorelands described herein.
9. Lien of real estate excise sales tax upon any sale of said premises, if unpaid. The excise tax rate for the property covered by this commitment is 1.78%.

**Effective January 1, 2005 the excise tax rate for ALL property in Whatcom County will be 1.78%.**

**The Whatcom County Treasurer's Office REQUIRES a four-page carbon copy Excise Tax Affidavit to accompany all documents requiring the payment of excise tax. Documents without the proper form may be rejected and not processed until the appropriate form is executed.**

10. General and Special Taxes for the years shown, current year payable as of February 15th, first half due by April 30th, second half due by October 31st, plus applicable interest and/or penalties after any delinquency:

	For Year	Amount Billed	Amount Paid
	2006	\$19,657.17	\$9,828.59
Tax Account No.:	405311 506427 0000		
Assess. Value Land:	\$1,614,480		
Total Assess. Value	\$1,614,480		
Tax Code:	3010		
Affects:	Parcel A		

11. General and Special Taxes for the years shown, current year payable as of February 15th, first half due by April 30th, second half due by October 31st, plus applicable interest and/or penalties after any delinquency:

	For Year	Amount Billed	Amount Paid
	2006	\$3,499.13	\$1,749.57
Tax Account No.:	405312 014420 0000		
Assess. Value Land:	\$282,390		
Assess. Value Bldgs:	\$500,000		
Total Assess. Value	\$287,390		
Tax Code:	3010		
Affects:	Parcel B		

12. Deed of Trust, to secure an obligation of \$576,500.00 including any interest, advances or other obligations secured thereby;  
 Dated: January 15, 1990  
 Recorded: January 18, 1990  
 Recording No.: 900118177  
 Grantor: Ronal Nielson and Beverly Nielson, husband and wife, Thomas Bradbury, and George Champion and Bonita Champion, husband and wife  
 Trustee: DWTR & J Corp  
 Beneficiary: Point Roberts Estates, LTD  
 Affects: Parcels A and B
13. Agreement, including its terms, covenants and provisions;  
 Between: Bradbury Enterprises, Inc, Thomas Bradbury and Point Roberts Estates, Inc  
 Dated: December 7, 1990  
 Recorded: February 25, 1991  
 Recording No.: 910225085  
 Regarding: Loan Assumption  
 Affects: Parcels A and B
14. Terms and conditions of the trust, under which title is vested.
15. The forthcoming instrument(s) must be authorized by resolution of the Directors of the following named corporation and a certified copy submitted.  
 Corporation: Bradbury Enterprises, Inc.
16. A copy of the trust agreement and all amendments thereto must be submitted. Any conveyance or encumbrance of the trust property must be within the authority of the trustee as set forth in the trust agreement.  
 Trust: The Ronald Alvin Nielson Exemption Equivalent Trust

17. A copy of the trust agreement and all amendments thereto must be submitted. Any conveyance or encumbrance of the trust property must be within the authority of the trustee as set forth in the trust agreement.  
Trust: The Champion Family Trust

**Note(s)**

**The following matters will not be listed as Special Exceptions in Schedule B of the policy. There will be no coverage for loss arising by reason of the matters listed below because these matters are either excepted from coverage or are not matters covered under the insuring clauses of the policy.**

Note 1:

The following is a list of days that the Whatcom County Courthouse will be closed to the public:

Monday	January 2, 2006
Monday	January 16, 2006
Monday	February 20, 2006
Monday	May 29, 2006
Tuesday	July 4, 2006
Monday	September 4, 2006
Friday	November 10, 2006
Thursday	November 23, 2006
Friday	November 24, 2006
Monday	December 25, 2006
Tuesday	December 26, 2006

Note 2:

Washington State recording statutes now provide that each page of all documents have a **COMPLETELY CLEAR 1" MARGIN** on all sides, have **NO TAPED OR STAPLED ADD-ONS** and contain 8 point or larger type. Failure to meet these requirements will result in a \$50.00 surcharge to the recording fee. In addition there are special requirements for the contents and top margin of the first page but defects in the first page requirements may be cured by addition of a properly formatted cover sheet.

A brief legal which may be used for a first page or cover sheet is:

Gov't Lot 4, Section 11, Township 40 North, Range 3 West of W.M. and Ptn. of Section 12, Township 40 North, Range 3 West of W.M.

Assessor's Number(s): 405311 506427 0000 and 405312 014420 0000

**Note 3:**

A legal description was not included in the application for title insurance. 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.

**Note 4:**

The Owner's Policy to follow, if issued, will not include a Homeowner's Additional Protection Endorsement.

**If you have any questions about the above, please contact us:**

Dave Morris

John Holtzheimer

David Paulette

Mimi Johnson

Eric Cuello

Dick Cole

**1616 Cornwall Avenue, Suite 115  
Bellingham, WA 98225  
Phone: (360) 734-7000  
Fax: (360) 752-4461**

Certain states afford you the right to access your Personal Information and, under certain circumstances, to find out to whom your Personal Information has been disclosed. Also, certain states afford you the right to request correction, amendment or deletion of your Personal Information. We reserve the right, where permitted by law, to charge a reasonable fee to cover the costs incurred in responding to such requests.

All requests must be made in writing to the following address:

Privacy Compliance Officer  
Fidelity National Financial, Inc.  
4050 Calle Real, Suite 220  
Santa Barbara, CA 93110

#### **Multiple Products or Services**

If we provide you with more than one financial product or serve, you may receive more than one privacy notice from us. We apologize for any inconvenience this may cause you.



**COMMITMENT FOR TITLE INSURANCE  
SCHEDULE A**

1. **Effective Date:** January 12, 2006 at 8:00 A.M.                      Order No: 192422

2. **Policy or Policies to be issued:**

(x) ALTA OWNER'S POLICY - (10-17-92)  
Standard Coverage

Amount:	\$6,120,000.00
Premium:	\$9,460.00
Sales Tax:	<u>\$785.18</u>
Total:	\$10,245.18


Proposed Insured:  
Cassimar US Inc.

3. **The estate or interest in the land which is covered by this Commitment is:**

Fee Simple Estate

4. **Title to the estate or interest in the land is at the effective date hereof vested in:**

Bradbury Enterprises, Inc., a Washington corporation, as to an undivided 1/3 interest, Beverly J. Nielson, as Trustee of The Ronald Alvin Nielson Exemption Equivalent Trust, as to an undivided 1/3 interest and George T. Champion and Bonita J. Champion, Trustees of the Champion Family Trust, restated March 13, 1991, as to an undivided 1/6 interest and Bonita J. Champion, a married woman as to an undivided 1/6 interest

  
\_\_\_\_\_

authorized signatory

## SCHEDULE B

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

### GENERAL EXCEPTIONS:

- A. Rights of claims disclosed only by possession, or claimed possession, of the premises.
- B. Encroachments and question of locations, boundary and area disclosed only by inspection of the premises or by survey.
- C. Easements, prescriptive rights, rights-of-way, streets, roads, alleys or highways not disclosed by the public records.
- D. Any lien, or right to a lien, for contributions to employee benefit funds, or for state workers' compensation, or for services, labor, or material heretofore or hereafter furnished, all as imposed by law, and not shown by the public records.
- E. Taxes or special assessments which are not yet payable or which are not shown as existing liens by the public records.
- F. Any service, installation, connection, maintenance, tap, capacity or construction charges for sewer, water, electricity, natural gas or other utilities, or garbage collection and disposal.
- G. Reservations and exceptions in United States Patents or in Acts authorizing the issuance thereof.
- H. Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
- I. Water rights, claims or title to water.
- J. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records, or attaching subsequent to the effective date hereof but prior to the date the Proposed Insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.

*Continued...*

**SPECIAL EXCEPTIONS:**

1. Easement, including its terms, covenants and provisions as granted by instrument;  
Recorded: May 26, 1931  
Recording No.: 396971  
In Favor Of: Puget Sound Power and Light Company, a Massachusetts corporation  
  
For: Electric transmission and/or distribution line.  
Affects: A portion of Parcel A
  
2. Easement, including its terms, covenants and provisions as granted by instrument;  
Recorded: May 26, 1941  
Recording No.: 396968  
In Favor Of: Puget Sound Power and Light Company, a Massachusetts corporation  
  
For: Electric transmission and/or distribution line.  
Affects: Portion of Parcel A
  
3. Easement, including its terms, covenants and provisions as granted by instrument;  
Recorded: June 15, 1962  
Recording No.: 931747  
In Favor Of: Puget Sound Power and Light Company, a Massachusetts corporation  
  
For: Electric transmission and/or distribution line.  
Affects: Portion of Parcel A
  
4. Easement, including its terms, covenants and provisions as granted by instrument;  
Recorded: November 4, 1964  
Recording No.: 977291  
In Favor Of: Puget Sound Power and Light Company  
For: Electric line, anchors, wires and fixtures  
Affects: Portion of Parcel B
  
5. Exceptions and reservations contained in Deed whereby the Grantor excepts and reserves all oils, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing and working mines, etc., provided that no rights shall be exercised until provision has been made for full payment of all damages sustained by reason of such entry;  
From: The State of Washington  
Recording No.: 708948 and 1017127

6. Any question that may arise due to shifting or change of the line of high water of the Gulf of Georgia or due to the Gulf of Georgia having shifted or changed its line of high water.
7. Any prohibition or limitation on the use, occupancy or improvements of the land resulting from the rights of the public or riparian owners to use any waters which may cover the land or to use any portion of the land which is now or may formerly have been covered by water, and the right of use, control or regulation by the United States of America in exercise of power over navigation.
8. Any question that may arise as to the location of the lateral boundaries of the tidelands or shorelands described herein.
9. Lien of real estate excise sales tax upon any sale of said premises, if unpaid. The excise tax rate for the property covered by this commitment is 1.78%.

**Effective January 1, 2005 the excise tax rate for ALL property in Whatcom County will be 1.78%.**

**The Whatcom County Treasurer's Office REQUIRES a four-page carbon copy Excise Tax Affidavit to accompany all documents requiring the payment of excise tax. Documents without the proper form may be rejected and not processed until the appropriate form is executed.**

10. General and Special Taxes for the years shown, current year payable as of February 15th, first half due by April 30th, second half due by October 31st, plus applicable interest and/or penalties after any delinquency:

	For Year	Amount Billed Not available	Amount Paid Not available
	2006		
	2005	\$19,615.62	\$19,615.62
Tax Account No.:	405311 506427 0000		
Assess. Value Land:	\$1,614,480		
Total Assess. Value	\$1,614		
Tax Code:	3010		
Affects:	Parcel A		

11. General and Special Taxes for the years shown, current year payable as of February 15th, first half due by April 30th, second half due by October 31st, plus applicable interest and/or penalties after any delinquency:

	For Year 2006	Amount Billed Not available \$3,491.73	Amount Paid Not available \$3,491.73
Tax Account No.:	405312 014420 0000		
Assess. Value Land:	\$282,390		
Assess. Value Bldgs:	\$500		
Total Assess. Value	\$287,390		
Tax Code:	3010		
Affects:	Parcel B		

12. Deed of Trust, to secure an obligation of \$576,500.00 including any interest, advances or other obligations secured thereby;

Dated: January 15, 1990  
Recorded: January 18, 1990  
Recording No.: 900118177  
Grantor: Ronal Nielson and Beverly Nielson, husband and wife, Thomas Bradbury, and George Champion and Bonita Champion, husband and wife  
Trustee: DWTR & J Corp  
Beneficiary: Point Roberts Estates, LTD  
Affects: Said premises

13. Agreement, including its terms, covenants and provisions;

Between: Bradbury Enterprises, Inc, Thomas Bradbury and Point Roberts Estates, Inc  
Dated: December 7, 1990  
Recorded: February 25, 1991  
Recording No.: 910225085  
Regarding: Loan Assumption  
Affects: Said premises

14. Terms and conditions of the trust, under which title is vested.

16. The forthcoming instrument(s) must be authorized by resolution of the Directors of the following named corporation and a certified copy submitted.

Corporation: Bradbury Enterprises, Inc.

17. A copy of the trust agreement and all amendments thereto must be submitted. Any conveyance or encumbrance of the trust property must be within the authority of the trustee as set forth in the trust agreement.

Trust: The Ronald Alvin Nielson Exemption Equivalent Trust

18. A copy of the trust agreement and all amendments thereto must be submitted. Any conveyance or encumbrance of the trust property must be within the authority of the trustee as set forth in the trust agreement.

Trust: The Champion Family Trust

**Note(s)**

The following matters will not be listed as Special Exceptions in Schedule B of the policy. There will be no coverage for loss arising by reason of the matters listed below because these matters are either excepted from coverage or are not matters covered under the insuring clauses of the policy.

Note 1:

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Friday	November 24, 2006
Monday	December 25, 2006
Tuesday	December 26, 2006

Note 2:

Washington State recording statutes now provide that each page of all documents have a **COMPLETELY CLEAR 1" MARGIN** on all sides, have **NO TAPED OR STAPLED ADD-ONS** and contain 8 point or larger type. Failure to meet these requirements will result in a \$50.00 surcharge to the recording fee. In addition there are special requirements for the contents and top margin of the first page but defects in the first page requirements may be cured by addition of a properly formatted cover sheet.

A brief legal which may be used for a first page or cover sheet is:

Portion of the Gov't Lot 4 Quarter of Section 11, Township 40 North, Range 3 West, W.M.

Assessor's Number(s): 405311 506427 0000 and 405312 014420 0000

**Note 2:**

The Owner's Policy to follow, if issued, will not include a Homeowner's Additional Protection Endorsement.

**If you have any questions about the above, please contact us:**

Dave Morris  
John Holtzheimer  
David Paulette

Mimi Johnson  
Eric Cuello  
Dick Cole

**1616 Cornwall Avenue, Suite 115  
Bellingham, WA 98225  
Phone: (360) 734-7000  
Fax: (360) 752-4461**

**CHICAGO TITLE INSURANCE COMPANY**  
(Member of the Fidelity National Financial, Inc. group of companies)  
**FIDELITY NATIONAL FINANCIAL GROUP OF COMPANIES' PRIVACY STATEMENT**  
July 1, 2001

We recognize and respect the privacy of today's consumers and the requirements of applicable federal and state privacy laws. We believe that making you aware of how we use your non-public personal information ("Personal Information"), and to whom it is disclosed, will form the basis for a relationship of trust between us and the public that we serve. This Privacy Statement provides that explanation. We reserve the right to change this Privacy Statement from time to time consistent with applicable privacy laws.

**In the course of our business, we may collect Personal Information about you from the following sources:**

- From application or other forms we receive from you or your authorized representatives;
- From your transactions with, or from the services being performed by, us, our affiliates, or others;
- From our internet web sites;
- From the public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others; and
- From consumers or other reporting agencies.

**Our Policies Regarding the Protection of the Confidentiality and Security of Your Personal Information**

We maintain physical, electronic and procedural safeguards to protect your Personal Information from unauthorized access or intrusion. We limit access to the Personal Information only to those employees who need such access in connection with providing products or services to you or for other legitimate business purposes.

**Our Policies and Practices Regarding the Sharing of Your Personal Information**

We may share your Personal Information with our affiliates, such as insurance companies, agents, and other real estate settlement service providers. We also may disclose your Personal Information:

- To agents, brokers or representatives to provide you with services you have requested;
- To third-party contractors or service providers who provide services or perform marketing or other functions on our behalf; and
- To others with whom we enter into joint marketing agreements for products or services that we believe you may find of interest;

In addition, we will disclose your Personal Information when you direct or give us permission, when we are required by law to do so, or when we suspect fraudulent or criminal activities. We also may disclose your Personal Information when otherwise permitted by applicable privacy laws such as, for example, when disclosure is needed to enforce our rights arising out of any agreement, transaction or relationship with you.

One of the important responsibilities of some of our affiliated companies is to record documents in the public domain. Such documents may contain your Personal Information.

**Right to Access Your Personal Information and Ability To Correct Errors or Request Changes or Deletion**

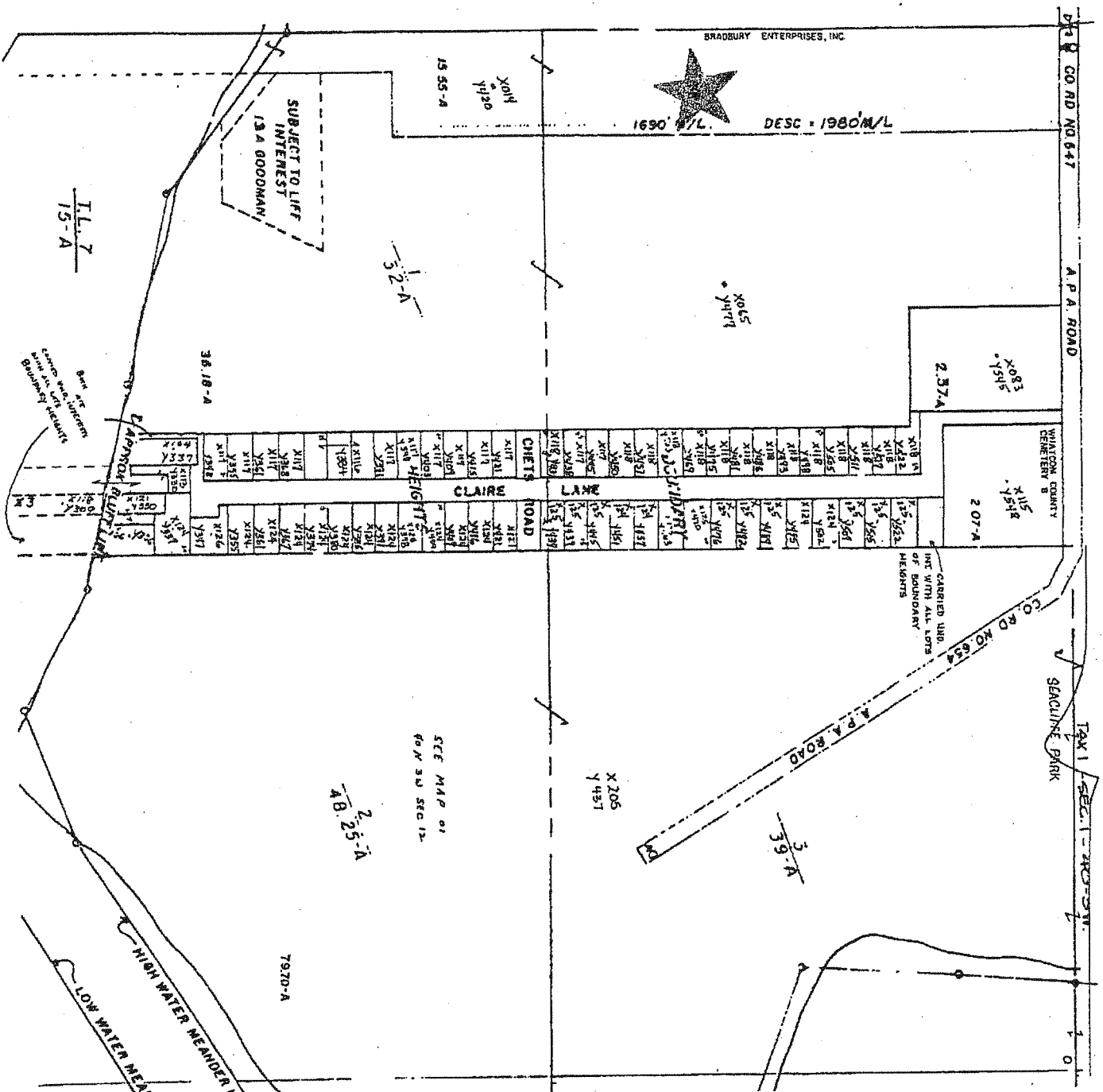
Certain states afford you the right to access your Personal Information and, under certain circumstances, to find out to whom your Personal Information has been disclosed. Also, certain states afford you the right to request correction, amendment or deletion of your Personal Information. We reserve the right, where permitted by law, to charge a reasonable fee to cover the costs incurred in responding to such requests.

All requests must be made in writing to the following address:

Privacy Compliance Officer  
Fidelity National Financial, Inc.  
4050 Calle Real, Suite 220  
Santa Barbara, CA 93110

**Multiple Products or Services**

If we provide you with more than one financial product or serve, you may receive more than one privacy notice from us. We apologize for any inconvenience this may cause you.



CO RD NO 6547  
A.P.A. ROAD  
TAX 1 SEC. 1 - 200-511

TOWNSHIP  
40

RANGE  
3W

SECTION  
12

MAP NO.  
03

SCALE  
1"=200'

DATE  
9/18/89

FEB 25 2004

THIS MAP IS FOR  
ASSURANCE OF  
PROPERTY LEGACY  
AND IS NOT TO BE  
RELIED UPON FOR  
ESTABLISHING  
BOUNDARIES

T.L. 7  
15-A

3-2-A

DESC = 1980M/L

1630' W/L.

1555-A

X014  
Y120

X065  
Y177

2.574  
X083  
Y195

207-A  
X115  
Y198

CLARE ROAD

A.P.A. ROAD

X 205  
Y 437

3-9-A

2-5-A  
A.B. 25-A

7970-A

HIGH WATER MEMBER L  
LOW WATER MEAN

CONVEY TO THE INTEREST  
OF THE STATE OF TEXAS  
BY BRADBURY ENTERPRISES, INC.

WATSON COUNTY  
REVENUE B

SAGUINE PARK

CARRIED UP  
INT WITH ALL LOTS  
OF BOUNDARY  
HEIGHTS

SEE MAP OF  
60 N 34 SEC 13 -  
A.B. 25-A





**COMMITMENT FOR TITLE INSURANCE  
SCHEDULE A**

1. **Effective Date:** June 19, 2006 at 8:00 A.M. **Order No:** 195868

2. **Policy or Policies to be issued:**

(x) ALTA OWNER'S POLICY - (10-17-92)  
Standard Coverage

Amount:	\$2,950,000.00
Premium:	\$5,265.00
Sales Tax:	<u>\$442.26</u>
Total:	\$5,707.26

Proposed Insured:

Stanton Land Holdings, LLC, a Washington limited liability company

3. **The estate or interest in the land which is covered by this Commitment is:**

Fee Simple Estate

4. **Title to the estate or interest in the land is at the effective date hereof vested in:**

Peter W. Butler and Lucia O. Butler, husband and wife, who described themselves as joint tenants with right of survivorship and not as tenants in common or community property, as to an undivided 1/2 interest; and 509776 B.C. LTD., a British Columbia corporation, as to an undivided 1/2 interest

  
\_\_\_\_\_  
authorized signatory

**SCHEDULE A**  
**(continued)**

**5. The land referred to in this commitment is described as follows:**

All of Government Lot 1 and the Northwest quarter of the Northwest quarter of Section 12, Township 40 North, Range 3 West of W.M., EXCEPTING therefrom a tract conveyed to Johannes Simundson by deed recorded in Volume 103 of deeds, page 634, records of Whatcom County, Washington. Also EXCEPT the East 300 feet of the Northwest quarter of the Northwest quarter and of Government Lot 1. Also EXCEPT a tract beginning 300 feet West of the Northeast corner of the Northwest quarter of the Northwest of said Section; thence South 400 feet; thence West 300 feet; thence North 400 feet; thence East 300 feet to the point of beginning, and also EXCEPT APA Road.

Situate in Whatcom County, Washington.

## SCHEDULE B

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

### GENERAL EXCEPTIONS:

- A. Rights of claims disclosed only by possession, or claimed possession, of the premises.
- B. Encroachments and question of locations, boundary and area disclosed only by inspection of the premises or by survey.
- \* C. Easements, prescriptive rights, rights-of-way, streets, roads, alleys or highways not disclosed by the public records.
- D. Any lien, or right to a lien, for contributions to employee benefit funds, or for state workers' compensation, or for services, labor, or material heretofore or hereafter furnished, all as imposed by law, and not shown by the public records.
- E. Taxes or special assessments which are not yet payable or which are not shown as existing liens by the public records.
- \* F. Any service, installation, connection, maintenance, tap, capacity or construction charges for sewer, water, electricity, natural gas or other utilities, or garbage collection and disposal.
- G. Reservations and exceptions in United States Patents or in Acts authorizing the issuance thereof.
- \* H. Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
- I. Water rights, claims or title to water.
- J. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records, or attaching subsequent to the effective date hereof but prior to the date the Proposed Insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.

*Continued...*

**SPECIAL EXCEPTIONS:**

1. Any question that may arise due to shifting or change of the line of high water of the Gulf of Georgia or due to the Gulf of Georgia having shifted or changed its line of high water.
2. Any prohibition or limitation on the use, occupancy or improvements of the land resulting from the rights of the public or riparian owners to use any waters which may cover the land or to use any portion of the land which is now or may formerly have been covered by water, and the right of use, control or regulation by the United States of America in exercise of power over navigation.
3. Lien of real estate excise sales tax upon any sale of said premises, if unpaid. The excise tax rate for the property covered by this commitment is 1.78%.

**Effective January 1, 2005 the excise tax rate for ALL property in Whatcom County will be 1.78%.**

**The Whatcom County Treasurer's Office REQUIRES a four-page carbon copy Excise Tax Affidavit to accompany all documents requiring the payment of excise tax. Documents without the proper form may be rejected and not processed until the appropriate form is executed.**

4. General and Special Taxes for the years shown, current year payable as of February 15th, first half due by April 30th, second half due by October 31st, plus applicable interest and/or penalties after any delinquency:

	For Year	Amount Billed	Amount Paid
	2006	\$15,404.91	\$7,702.46
Tax Account No.:	405312 065477 0000		
Assess. Value Land:	\$1,217,250		
Assess. Value Bldgs:	\$47,985		
Total Assess. Value	\$1,265,235		
Tax Code:	3010		
Affects:	Said premises		

5. The forthcoming instrument(s) must be authorized by resolution of the Directors of the following named corporation and a certified copy submitted.  
Corporation: 509776 B.C. LTD.

**Note(s)**

The following matters will not be listed as Special Exceptions in Schedule B of the policy. There will be no coverage for loss arising by reason of the matters listed below because these matters are either excepted from coverage or are not matters covered under the insuring clauses of the policy.

Note 1:

The following is a list of days that the Whatcom County Courthouse will be closed to the public:

Monday	January 2, 2006
Monday	January 16, 2006
Monday	February 20, 2006
Monday	May 29, 2006
Tuesday	July 4, 2006
Monday	September 4, 2006
Friday	November 10, 2006
Thursday	November 23, 2006
Friday	November 24, 2006
Monday	December 25, 2006
Tuesday	December 26, 2006

Note 2:

Washington State recording statutes now provide that each page of all documents have a **COMPLETELY CLEAR 1" MARGIN** on all sides, have **NO TAPED OR STAPLED ADD-ONS** and contain 8 point or larger type. Failure to meet these requirements will result in a \$50.00 surcharge to the recording fee. In addition there are special requirements for the contents and top margin of the first page but defects in the first page requirements may be cured by addition of a properly formatted cover sheet.

A brief legal which may be used for a first page or cover sheet is:

Portion of the Gov't Lot 1 Quarter of Section 12, Township 40 North, Range 3 West, W.M.

Assessor's Number(s): 405312 065477 0000

Note 3:

This is a commitment to insure that fee simple title is held by the vestees, subject to the exceptions shown herein. The instrument under which title is held describes the vestees as joint tenants. If the existence of a valid joint tenancy estate in the vestees is material to the proposed transaction, the question should be submitted for determination.



Note 4:

The Owner's Policy to follow, if issued, will not include a Homeowner's Additional Protection Endorsement.

If you have any questions about the above, please contact us:

Dave Morris  
John Holtzheimer  
David Paulette

Mimi Johnson  
Eric Cuello  
Dick Cole

(360) 752-6529

1616 Cornwall Avenue, Suite 115  
Bellingham, WA 98225  
Phone: (360) 734-7000  
Fax: (360) 752-4461

**CHICAGO TITLE INSURANCE COMPANY**  
(Member of the Fidelity National Financial, Inc. group of companies)  
**FIDELITY NATIONAL FINANCIAL GROUP OF COMPANIES' PRIVACY STATEMENT**  
July 1, 2001

We recognize and respect the privacy of today's consumers and the requirements of applicable federal and state privacy laws. We believe that making you aware of how we use your non-public personal information ("Personal Information"), and to whom it is disclosed, will form the basis for a relationship of trust between us and the public that we serve. This Privacy Statement provides that explanation. We reserve the right to change this Privacy Statement from time to time consistent with applicable privacy laws.

**In the course of our business, we may collect Personal Information about you from the following sources:**

- From application or other forms we receive from you or your authorized representatives;
- From your transactions with, or from the services being performed by, us, our affiliates, or others;
- From our internet web sites;
- From the public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others; and
- From consumers or other reporting agencies.

**Our Policies Regarding the Protection of the Confidentiality and Security of Your Personal Information**

We maintain physical, electronic and procedural safeguards to protect your Personal Information from unauthorized access or intrusion. We limit access to the Personal Information only to those employees who need such access in connection with providing products or services to you or for other legitimate business purposes.

**Our Policies and Practices Regarding the Sharing of Your Personal Information**

We may share your Personal Information with our affiliates, such as insurance companies, agents, and other real estate settlement service providers. We also may disclose your Personal Information:

- To agents, brokers or representatives to provide you with services you have requested;
- To third-party contractors or service providers who provide services or perform marketing or other functions on our behalf; and
- To others with whom we enter into joint marketing agreements for products or services that we believe you may find of interest;

In addition, we will disclose your Personal Information when you direct or give us permission, when we are required by law to do so, or when we suspect fraudulent or criminal activities. We also may disclose your Personal Information when otherwise permitted by applicable privacy laws such as, for example, when disclosure is needed to enforce our rights arising out of any agreement, transaction or relationship with you.

One of the important responsibilities of some of our affiliated companies is to record documents in the public domain. Such documents may contain your Personal Information.

**Right to Access Your Personal Information and Ability To Correct Errors or Request Changes or Deletion**

Certain states afford you the right to access your Personal Information and, under certain circumstances, to find out to whom your Personal Information has been disclosed. Also, certain states afford you the right to request correction, amendment or deletion of your Personal Information. We reserve the right, where permitted by law, to charge a reasonable fee to cover the costs incurred in responding to such requests.

All requests must be made in writing to the following address:

Privacy Compliance Officer  
Fidelity National Financial, Inc.  
4050 Calle Real, Suite 220  
Santa Barbara, CA 93110

**Multiple Products or Services**

If we provide you with more than one financial product or serve, you may receive more than one privacy notice from us. We apologize for any inconvenience this may cause you.

