


COMMITMENT FOR TITLE INSURANCE



Northbank Building, Suite 100
1010 N. Normandie Street
Spokane, Washington 99201
(509) 326-2626
FAX (509) 327-7570

An Agent of
 Old Republic National
Title Insurance Company

The logo for Old Republic National Title Insurance Company features a stylized "OR" monogram in the center, surrounded by a circular border of small stars.



ALTA Commitment

COMMITMENT FOR TITLE INSURANCE
Issued by Old Republic National Title Insurance Company

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six (6) months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

This Commitment shall not be valid or binding until countersigned by a validating officer or authorized signatory.

IN WITNESS THEREOF, Old Republic National Title Insurance Company, has caused its corporate name and seal to be affixed by its duly authorized officer and signatory on the date shown in Schedule A.

Issued through the office of:
SPOKANE COUNTY TITLE COMPANY
NORTHBANK BUILDING, SUITE 100
1010 N. NORMANDIE STREET
SPOKANE, WASHINGTON 99201

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

A Corporation
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

By

President

Attest

Secretary



Spokane County Title Company

1010 N. Normandie Street, #203, Spokane, WA 99201
Phone: 509-326-2626 Fax: 509-324-1375

Agent for

Old Republic National Title Insurance Company ALTA COMMITMENT

SCHEDULE A

Title Officer: Tom Irish

Order No.: SP5180

Escrow Officer:

Add'l Ref: 127 W MISSION AVE

Ref: City of Spokane/To Come

1. EFFECTIVE DATE: **May 25, 2016 at 8:00 a.m.**

2. POLICY OR POLICIES TO BE ISSUED:

- | | | |
|---|---------------|------------------|
| a. ALTA 2006 STANDARD OWNER'S POLICY | Amount | \$TO COME |
| Proposed Insured: | | |
| TO COME (SEE NOTE D) | | |
| b. | Amount | |
| Proposed Insured: | | |
| c. | Amount | |
| Proposed Insured: | | |

PREMIUM INFORMATION:

- | | | | |
|---------------------------------|------------------|-------------|---------------|
| a. GENERAL SCHEDULE RATE | \$TO COME | Tax: | Total: |
| b. | | Tax: | Total: |
| c: | | Tax: | Total: |

3. THE ESTATE OR INTEREST IN THE LAND DESCRIBED HEREIN AND WHICH IS COVERED BY THIS COMMITMENT IS:

FEE SIMPLE

4. THE ESTATE OR INTEREST REFERRED TO HEREIN IS AT DATE OF COMMITMENT VESTED IN:

THE CITY OF SPOKANE, A MUNICIPAL CORPORATION OF THE STATE OF WASHINGTON

5. THE LAND REFERRED TO IN THIS COMMITMENT IS SITUATED IN THE COUNTY OF SPOKANE, STATE OF WASHINGTON AND IS MORE FULLY DESCRIBED AS FOLLOWS:

SEE ATTACHED EXHIBIT "A"

SCHEDULE B - SECTION I

REQUIREMENTS:

1. INSTRUMENTS CREATING THE ESTATE OR INTEREST TO BE INSURED MUST BE APPROVED AND FILED OF RECORD.
2. PAYMENT OF CANCELLATION FEE IN ACCORDANCE WITH OUR FILED RATE SCHEDULE, TO BE IMPOSED IF THIS TRANSACTION IS CANCELED FOR ANY REASON.
3. THIS COMMITMENT SHALL NOT OBLIGATE THE COMPANY TO ISSUE ANY ENDORSEMENT. ALL ENDORSEMENTS TO BE ISSUED MUST BE AGREED TO BY THE COMPANY AND APPROPRIATE FOR THE ESTATE INSURED.
4. ANY SKETCH OR MAP 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.

END OF SCHEDULE B - SECTION I REQUIREMENTS

SCHEDULE B - SECTION II

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 OR CLAIMS DISCLOSED ONLY BY POSSESSION, OR CLAIMED POSSESSION, OF THE PREMISES.
- B. ENCROACHMENTS, OVERLAPS, BOUNDARY LINE DISPUTES WHICH WOULD BE DISCLOSED BY AN ACCURATE SURVEY OR INSPECTION OF THE PREMISES.
- 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 EMPLOYEES 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. UNDERGROUND EASEMENTS, SERVITUDES OR INSTALLATIONS OF WHICH NO NOTICE IS OF RECORD.
- F. GENERAL TAXES NOT NOW PAYABLE; MATTERS RELATING TO SPECIAL ASSESSMENTS AND SPECIAL LEVIES, IF ANY, PRECEDING THE SAME BECOMING A LIEN.
- G. ANY SERVICE, INSTALLATION, CONNECTION, MAINTENANCE, OR CONSTRUCTION CHARGES FOR SEWER, WATER, ELECTRICITY, NATURAL GAS OR OTHER UTILITIES OR GARBAGE COLLECTION AND DISPOSAL.
- H. RESERVATIONS OR EXCEPTIONS IN UNITED STATES PATENTS OR IN ACTS AUTHORIZING THE ISSUANCE THEREOF.
- I. INDIAN TRIBAL CODES OR REGULATIONS, INDIAN TREATY OR ABORIGINAL RIGHTS, INCLUDING EASEMENTS OR EQUITABLE SERVITUDES.
- J. WATER RIGHTS, CLAIMS OR TITLE TO WATER.
- K. 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 FOR VALUE OF RECORD THE ESTATE OR INTEREST OR MORTGAGE THEREON COVERED BY THIS COMMITMENT

END OF SCHEDULE B SECTION II GENERAL EXCEPTIONS

SPECIAL EXCEPTIONS:

1. **LIEN OF REAL ESTATE EXCISE TAX UPON ANY SALE OF SAID PREMISES, IF UNPAID.**

NOTE: EXCISE TAX OF 1.78% IS DUE ON THE SALES PRICE. (TAX AREA CODE 0010)

2. **THE COUNTY ASSESSOR'S OFFICE RECORDS INDICATE THAT THE GENERAL TAX FOR THE YEAR 2016, IS EXEMPT;**
TAX ACCOUNT NO.: 35181.0201

3. **LIABILITY FOR GENERAL PROPERTY TAXES FOR THE PURCHASER'S PRORATED PORTION OF THE YEAR 2016, DUE TO THE TRANSFER OF EXEMPT PROPERTY TO PRIVATE OWNERSHIP.**

4. **EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF, AS RESERVED BY;**
ORDINANCE NO.: C15753
APPROVED AND FILED: December 22, 1958
IN FAVOR OF: CITY OF SPOKANE
PURPOSE: UTILITIES
AFFECTS: VACATED NORMANDIE ST

END OF SCHEDULE B- SECTION II SPECIAL EXCEPTIONS

NOTES:

- a. **THE ADDRESS OF THE SUBJECT PROPERTY IS:**

127 W MISSION AVE
SPOKANE, WA 99201

- b. **ACCORDING TO THE RECORDS OF SPOKANE COUNTY ASSESSOR, THE CURRENT VALUE OF SAID PREMISES IS AS FOLLOWS:**

TAX ACCOUNT NO.:	35181.0201
LAND:	\$1,870,400.00
IMPROVEMENTS:	\$955,900.00
TOTAL:	\$2,826,300.00

- c. **THE FOLLOWING ABBREVIATED LEGAL DESCRIPTION IS PROVIDED AS A COURTESY TO ENABLE THE DOCUMENT PREPARER TO CONFORM WITH THE REQUIREMENTS OF RCW 65.04.045, PERTAINING TO STANDARDIZATION OF RECORDED DOCUMENTS.**

ABBREVIATED LEGAL DESCRIPTION:

BLKS 57 & 58 AND VAC ST, CENTRAL ADD

- d. **TITLE IS TO VEST IN PERSON OR PERSONS NOT DISCLOSED AND WHEN SO VESTED WILL BE SUBJECT TO MATTERS DISCLOSED BY A SEARCH OF THE RECORDS AGAINST HIS, HER OR THEIR NAMES.**

Commitment No. : **SP5180**

- e. PLEASE NOTE OUR RECORDING TIMES:
MONDAY - THURSDAY: 8:30 A.M., 10:30 A.M., 1:00 P.M. AND 2:30 P.M.
FRIDAY: 8:30 A.M., 10:30 A.M. AND 12:00 P.M.

END OF SCHEDULE B- SECTION II NOTES

A handwritten signature in black ink, appearing to read "Mark D. Smith", written over a horizontal line.

Authorized Signature

EXHIBIT "A"

BLOCKS 57 AND 58, CENTRAL ADDITION TO SPOKANE, AS PER PLAT RECORDED IN VOLUME "A" OF PLATS, PAGE 162, RECORDS OF SPOKANE COUNTY;

INCLUDING VACATED NORMANDIE STREET LYING BETWEEN SAID BLOCKS 57 AND 58, AS VACATED BY ORDINANCE NO. C15753;

SITUATE IN THE CITY OF SPOKANE, COUNTY OF SPOKANE, STATE OF WASHINGTON.

Spokane County Title Company

Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of **Spokane County Title Company**

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms.
- Information about your transactions we secure from our files, or from [our affiliates or] others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates as permitted by law.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

ORT 287-C 5/07/01



A PORTION OF THE NE QUARTER OF SECTION 18, TOWNSHIP 25 NORTH, RANGE 43 EAST, W.M.



THIS SKETCH IS FURNISHED FOR INFORMATION PURPOSES ONLY TO ASSIST IN PROPERTY LOCATION. DIMENSIONS ARE NOT GUARANTEED AND MUST NOT BE RELIED UPON TO DETERMINE ACREAGE OR SHAPE. THIS COMPANY ASSUMES NO LIABILITY FOR LOSS INCURRED BY REASON OR RELIANCE THEREON.

SPOKANE COUNTY TITLE COMPANY
326-2626

COMMITMENT CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest of mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company of the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.aita.org>. If a policy other than the 2006 ALTA Owner's Policy of Title Insurance, 2006 ALTA Loan Policy of Title Insurance or 2006 ALTA Short Form Residential Loan Policy is ultimately issued, the arbitration provisions of the issued policy shall control.

AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY OF TITLE INSURANCE - 2006 EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those related to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in the loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is:
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in Public Records that vests Title as shown in Schedule A.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (01/01/08)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE
EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning;
 - (a) building;
 - (b) zoning;
 - (c) land use;
 - (d) improvements on the Land;
 - (e) land division; and
 - (f) environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23, or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks;
 - (a) that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - (b) that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - (c) that result in no loss to You; or
 - (d) that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27, or 28.
5. Failure to pay value for Your Title.
6. Lack of a right;
 - (a) to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - (b) in streets, alleys, or waterways that touch the land

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

AMERICAN LAND TITLE ASSOCIATION
LOAN POLICY OF TITLE INSURANCE - 2006
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1.
 - (a) Any law, ordinance, permit, or governmental regulation (including those related to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
 - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).