

SUBDIVISION

Issued By:



CHICAGO TITLE INSURANCE COMPANY

Guarantee/Certificate Number:

**0032762-ETU
Update Second**

CHICAGO TITLE INSURANCE COMPANY
a corporation, herein called the Company

GUARANTEES

Merit Homes, Inc., and Jim Watkins at Allied Land Surveying, Inc.

herein called 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.

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 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.

Chicago Title Company of Washington
10500 NE 8th St., Suite 600
Bellevue, WA 98004

Countersigned By:

Authorized Officer or Agent



Chicago Title Insurance Company

By:

President

Attest:

Secretary

ISSUING OFFICE:
Title Officer: Eastside Title Unit Chicago Title Company of Washington 10500 NE 8th St., Suite 600 Bellevue, WA 98004 Main Phone: (425)646-9883 Email: CTIBellevueETU@ctt.com

SCHEDULE A

Liability	Premium	Tax
\$1,000.00	\$350.00	\$33.25

Effective Date: May 21, 2015 at 08:00 AM

The assurances referred to on the face page are:

That, according to those public records which, under the recording laws, impart constructive notice of matter relative to the following described property:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

Title to said real property is vested in:

Merit Homes, Inc., a Washington corporation

subject to the matters shown below under Exceptions, which Exceptions are not necessarily shown in the order of their priority.

END OF SCHEDULE A

EXHIBIT "A"
Legal Description

The east 90.00 feet of the following described tract:

All of Lot 5 and the north half of Lot 6 in Block 4 of Pettit's Alder Grove, according to the Plat thereof recorded in Volume 21 of Plats, Page(s) 83, records of King County, Washington;

Together with an easement for ingress, egress and utilities over the south 15 feet of the north half of Lot 6 in said block 4; Except the east 90 feet thereof.

SCHEDULE B

1. Reservations and exceptions in United States Patents or in Acts authorizing the issuance thereof.
2. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Puget Sound Power & Light Company
 Purpose: Electric transmission and/or distribution system
 Recording Date: January 4, 1963
 Recording No.: 5527144
 Affects: As constructed or to be constructed
3. Agreement and the terms and conditions thereof:

Executed by: City of Kirkland and Owners
 Recording Date: April 28, 2006
 Recording No.: 20060428000432
 Regarding: Water facilities and costs related thereto
4. Agreement and the terms and conditions thereof:

Executed by: City of Kirkland and Owners
 Recording Date: April 28, 2006
 Recording No.: 20060428000433
 Regarding: Sewer facilities and costs related thereto
5. General and special taxes and charges, payable February 15, delinquent if first half unpaid on May 1, second half delinquent if unpaid on November 1 of the tax year (amounts do not include interest and penalties):

Year: 2015
 Tax Account No.: 674370-0315-04
 Levy Code: 1700
 Assessed Value-Land: \$247,000.00
 Assessed Value-Improvements: \$147,000.00

General and Special Taxes: Billed: \$4,148.78
 Paid: \$0.00
 Unpaid: \$4,148.78
6. A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$436,875.00
 Dated: December 15, 2014
 Trustor/Grantor: Merit Homes, Inc., a Washington corporation
 Trustee: Reconveyance Professionals, Inc.
 Beneficiary: Homestreet Bank, a Washington State Chartered Savings Bank
 Recording Date: December 17, 2014
 Recording No.: 20141217001665
7. Terms and conditions of the Articles of Incorporation and By-laws of Merit Homes, Inc.

SCHEDULE B
(continued)

8. **Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.**

Note: Any map furnished with this Guarantee is for convenience in locating the land indicated herein with reference to streets and other land. No liability is assumed by reason of reliance thereon.

Note: FOR INFORMATIONAL PURPOSES ONLY:

The following may be used as an abbreviated legal description on the documents to be recorded, per Amended RCW 65.04.045. Said abbreviated legal description is not a substitute for a complete legal description within the body of the document:

Portions of Lots 5 and 6, Blk 4, Vol 21 page 83.
Tax Account No.: 674370-0315-04

END OF SCHEDULE B