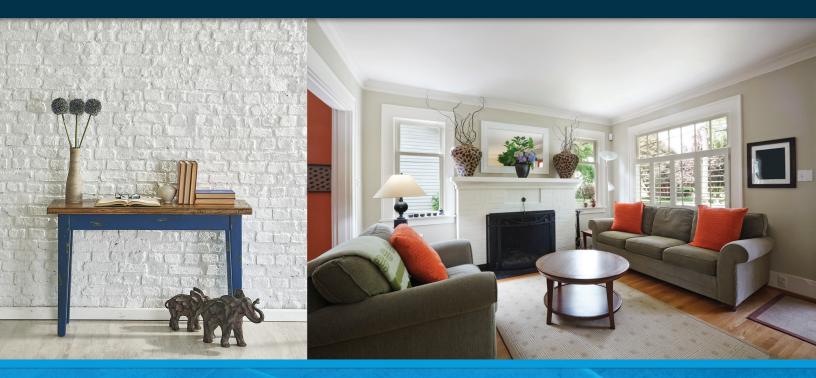
HOW TO READ A TITLE COMMITMENT



TICOR TITLE

WASHINGTON STATE

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WHAT IS A TITLE COMMITMENT?



A Title Commitment (also known as a Preliminary Report in some areas) is a dated formal report that sets out in detail the conditions under which a policy of title insurance would be issued on a particular parcel of land. Its sole purpose is to facilitate the issuance of the policy.

Within a short time after a title order has been opened, the matters of record relative to the issuance of the title insurance policy on the subject property have been assembled in the title search and examined by skilled technicians. This is the time when the Title Commitment is prepared and sent to the customer. The report reflects the matters which would be shown as exceptions in a policy of the title insurance so that the parties to the transaction will be aware of any of those matters of record that may need to be cleared prior to the closing of the transaction. This report is issued before the title policy—hence the name Title Commitment.

Those matters shown in the report are as follows:

- I. The estate or interest covered.
- 2. The record owner of the estate or interest.
- 3. A legal description of the parcel of land covered.
- 4. Requirements and Notes
- 5. The easements, liens, encumbrances and other matters which affect the title to the land at the date and time of the report.

Members of the Washington Land Title Association (WLTA) use the type of report explained on the pages that follow. The investigation of title is normally limited to the public record, with no reference to off record matters.

All references to specific property, dollar amounts, documents, and individual and corporate identification are fictional and for the purpose of educational sample only.

Explanations of Report Items are noted in these shaded boxes.



TITLE COMMITMENT SAMPLE

1



1

This paragraph states that the company is prepared to issue the policy elsewhere referred to and points out the fact that there are exceptions and exclusions in the policy form and additional exceptions listed in the report that would not be insured against by the policy, if issued.

ALTA COMMITMENT FOR TITLE INSURANCE

Issued By agent:

Ticor Title Company

1505 Westlake Ave N, Ste 150 Seattle, WA 98109 Countersigned By:



Commitment Number:

2016SampleRpt

NOTICE

IMPORTANT - READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and the Commitment Conditions, Commonwealth Land Title Insurance Company, a Florida corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I-Requirements have not been met within one hundred eighty (180) days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

Commonwealth Land Title Insurance Company

By:

(Sm/Mfun L

Attest:

Secretary

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Commonwealth Land Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

SEAL

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Show

Authorized Officer or Agent

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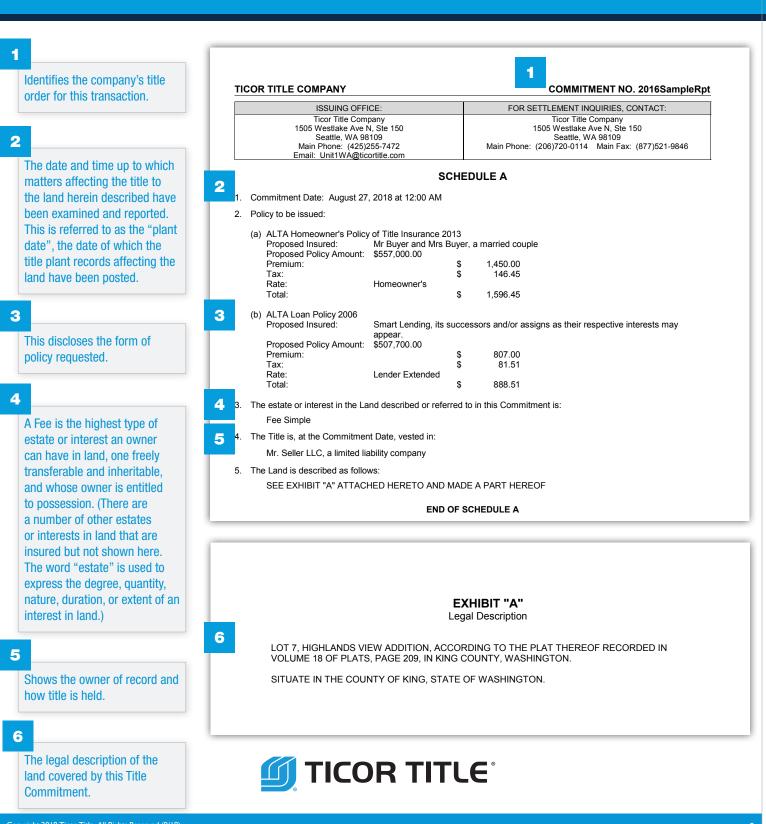
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R



SCHEDULE A & EXHIBIT A **SAMPLES**



SCHEDULE B, PART I REQUIREMENTS



1

These are General and Specific requirements that must be met in order for a commitment to be issued. In this example items 1 through 6 are General requirements and items 7 through 10 are requirements that are specific to the transaction.

TICOR TITLE COMPANY

COMMITMENT NO. 2016SampleRpt

SCHEDULE B, PART I REQUIREMENTS

All of the following Requirements must be met:

- The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
- 2. Pay the agreed amount for the estate or interest to be insured.
- 3. Pay the premiums, fees, and charges for the Policy to the Company.
- Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
- Additional requirements and/or exceptions may be added as details of the transaction are disclosed to, or become known by the Company.
- 6. 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.
- The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance from the entity named below.

Limited Liability Company: Mr. Seller LLC

- A copy of its operating agreement, if any, and any and all amendments, supplements and/or modifications thereto, certified by the appropriate manager or member.
- b. If a domestic Limited Liability Company, a copy of its Articles of Organization and all amendment thereto with the appropriate filing stamps.
- c. If the Limited Liability Company is member-managed a full and complete current list of members certified by the appropriate manager or member.
- d. A current dated certificate of good standing from the proper governmental authority of the state in which the entity was created
- e. If less than all members, or managers, as appropriate, will be executing the closing documents, furnish evidence of the authority of those signing.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

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SCHEDULE B, PART I REQUIREMENTS



(Continued) These are the
specific requirements that
must be met in order for a
commitment to be issued.

1

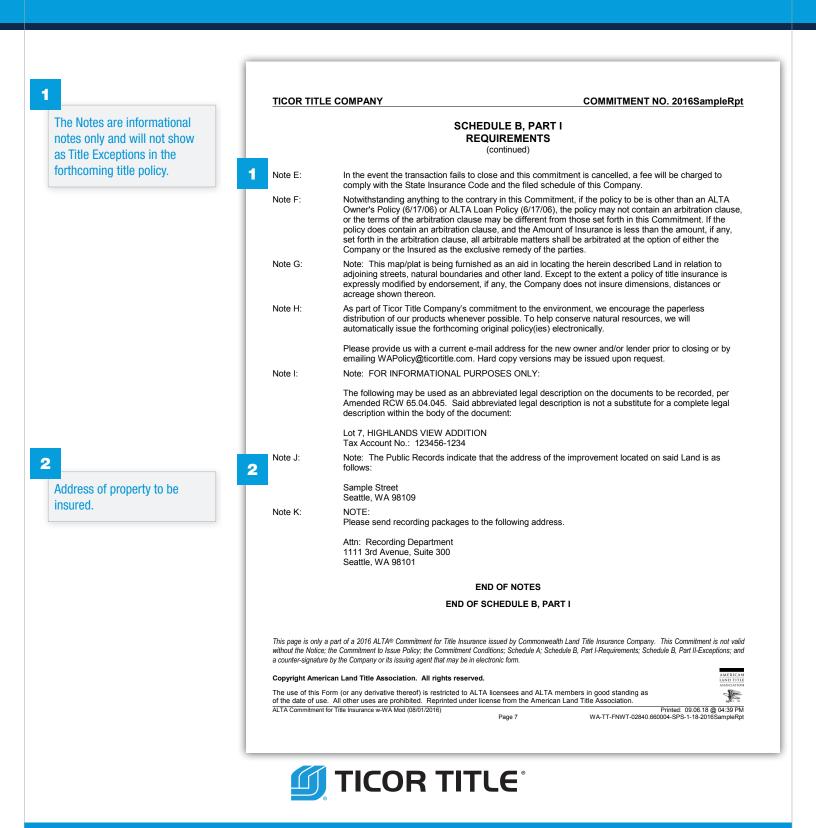
	R TITLE COMPANY COMMITMENT NO. 2016SampleRpt
	SCHEDULE B, PART I REQUIREMENTS (continued)
8.	The manufactured housing unit will be expressly excepted from the legal description and not insured by the policy unless the Certificate of Title is eliminated and the manufactured housing unit is converted to real property as required by RCW 65.20.
	A Manufactured Home Title Elimination Application should be obtained from the Department of Licensing. The application must be signed by the registered and legal owners of the manufactured housing unit, the owner of the Land, the city or county building permit office, approved by the Department of Licensing, and recorded or available for recording.
	Evidence must be submitted that personal property taxes on the manufactured housing unit have been paid through the current year and personal property taxes for next year, if subject to assessment, have been paid.
	Please contact your title officer if the manufactured housing unit is not to be converted to real property.
9.	TO PROVIDE THE EXTENDED COVERAGE POLICY AND/OR ALTA HOMEOWNER'S POLICY IDENTIFIED IN SCHEDULE A, GENERAL EXCEPTIONS A THROUGH D WILL BE CONSIDERED WHEN OUR INSPECTION AND/OR REVIEW OF SURVEY, IF REQUIRED, IS COMPLETED. A SUPPLEMENTAL COMMITMENT WILL FOLLOW.
	If there have been recent improvements on the property within 90 days prior to closing we will require a signed indemnity agreement and a recent financial statement from each indemnitor.
	If construction financing is to be insured, please contact the title officer for requirements.
	The Company reserves the right to add additional exceptions or make further requirements after review of the property inspection and requested documentation.
10.	Payment of the real estate excise tax, if required.
	The Land is situated within the boundaries of local taxing authority of King County.
	Present rate of real estate excise tax as of the date herein is 1.78 percent.
	Any conveyance document must be accompanied by the official Washington State Excise Tax Affidavit. The applicable excise tax must be paid and the affidavit approved at the time of the recording of the conveyance documents. (NOTE: Real Estate Excise Tax Affidavits must be printed as legal size forms).
	An additional \$5.00 Electronic Technology Fee must be included in all excise tax payments.
	If the transaction is exempt, an additional \$5.00 Affidavit Processing Fee is required.
	END OF REQUIREMENTS
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SCHEDULE B, PART I NOTES TICOR TITLE COMPANY COMMITMENT NO. 2016SampleRpt SCHEDULE B, PART I REQUIREMENTS (continued) NOTES 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 or excluded from coverage or The Notes are informational are not matters covered under the insuring provisions of the policy. notes only and will not show Note A: Notice: Please be aware that due to the conflict between federal and state laws concerning the as Title Exceptions in the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities. forthcoming title policy. Effective October 1, 2015, Ticor Title Company will no longer be charging a flat rate recording fee. All Note B: files will be charged the actual county recording fees. Recording charges (per document title) for all Washington counties: Deed of Trust - \$100.00 and \$1 for each additional page Most other Docs, except as noted below - \$99.00 and \$1 for each additional page. Assignment of Deed of Trust, Substitution or Appointment of Successor Trustee - \$16.00 and \$1 for each additional page Multiple titled documents are charged per applicable title. There is an additional \$4.00 fee per document for electronic recording. RECORDING CHARGES ARE SUBJECT TO CHANGE WITHOUT NOTICE NOTE: Part of the RESPA Rule to Simply and Improve the Process of Obtaining Mortgages and Reduce Consumer Settlement Costs requires the settlement agent to disclose the agent and underwriter split of title premiums, including endorsements as follows: Line 1107 is used to record the amount of the total title insurance premium, including endorsements, that is retained by the title agent. Ticor Title Company retains 88% of the total premium and endorsements. Line 1108 is used to record the amount of the total title insurance premium, including endorsements, that is retained by the title underwriter. Commonwealth Land Title Insurance Company retains 12% of the total premium and endorsements. Note C: The language contained in the printed Exceptions from coverage and Conditions and Stipulations of the Policy committed for may be examined by inquiry at the office which issued the Commitment, and a specimen copy of the insurance Policy Form(s) referred to in this Commitment will be furnished promptly upon request Note D: Investigation should be made to determine if there are any service, installation, maintenance, or connection charges for sewer, water, electricity or Metro Sewer Treatment Capacity Charge. This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Commonwealth Land Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part I-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form. Copyright American Land Title Association. All rights reserved. The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as K of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association. ALTA Commitment for Title Insurance w-WA Mod (08/01/2016) Printed: 09.06.18 @ 04:39 PM WA-TT-FNWT-02840.660004-SPS-1-18-2016SampleRpt Page 6

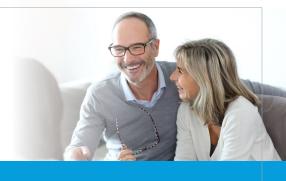


SCHEDULE B, PART I NOTES



SCHEDULE B, PART II EXCEPTIONS

1



COMMITMENT NO. 2016SampleRpt

These are the "so-called" Western Region Exceptions. If any policy is to be issued in a "standard coverage" format these items will appear in Schedule B as exceptions. These exceptions do not appear in the Homeowner's Policy.

Items shown in Schedule B, Part II are information that affects the property in question including taxes, easements, covenants, conditions and restrictions, liens, judgments, etc.

TICOR	TITLE	COMP	ANY
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SCHEDULE B, PART II EXCEPTIONS

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

GENERAL EXCEPTIONS

A. Rights or claims of parties in possession, or claiming possession, not shown by the Public Records.

B. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land.

C. Easements, prescriptive rights, rights-of-way, liens or encumbrances, or claims thereof, not shown 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 lien for service, installation, connection, maintenance, tap, capacity, or construction or similar charges for sewer, water, electricity, natural gas or other utilities, or for garbage collection and disposal not shown by the Public Records.

G. Unpatented mining claims, and all rights relating thereto.

H. Reservations and 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. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I-Requirements are met.

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SCHEDULE B, PART II EXCEPTIONS



NOTE: From this point on, the items shown in the Title	TICOR TITLE COMPANY COMMITMENT NO. 2016SampleRpt
Commitment will normally be shown chronologically by date. Although this approach is normal from the standpoint of	SCHEDULE B, PART II EXCEPTIONS (continued)
a title examiner, the items are not necessarily shown in any	SPECIAL EXCEPTIONS
strict order of priority.	1. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document
	Recording Date: Recorded: April 5, 1987 Recording No: 8704050654
The referenced document contains covenants,	2. Mitigation Agreement:
onditions and restrictions.	Executed: Area 51 School District Recording Date: May 13, 2006 Recording No: 20050513000654
pon the use of property nd generally establishes	3. Agreement and the Terms and Conditions thereof:
pe of improvements, their esign, set back lines, etc.	Dated: May 5, 1989 Recording No: 8905070564 Purpose: Water line
estrictions affecting a tract of nd containing multiple lots stablish uniformity.	 Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document: Granted to: Puget Sound Power
	Recording Date: July 30, 1992 Recording No.: 92207300546 Affects: Said premises
n easement is a right or terest of another party in	
le land which entitles the older thereof to some use,	
rivilege or benefit (e.g., poles	
or wires, pipelines for sewer r electricity conduit, to use	This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Commonwealth Land Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.
r make roads for travel)	Convicts American Land Title Accountion All rights recorded
r make roads for travel). ccasionally, the exact location nd/or extent of said easement	Copyright American Land Title Association. All rights reserved.



SCHEDULE B, PART II EXCEPTIONS

1

2



Unpaid Taxes: This item is a statement regarding the amount and status of any unpaid taxes for the current year's taxes (e.g. taxes now a lien, now due, or respective installments).

2

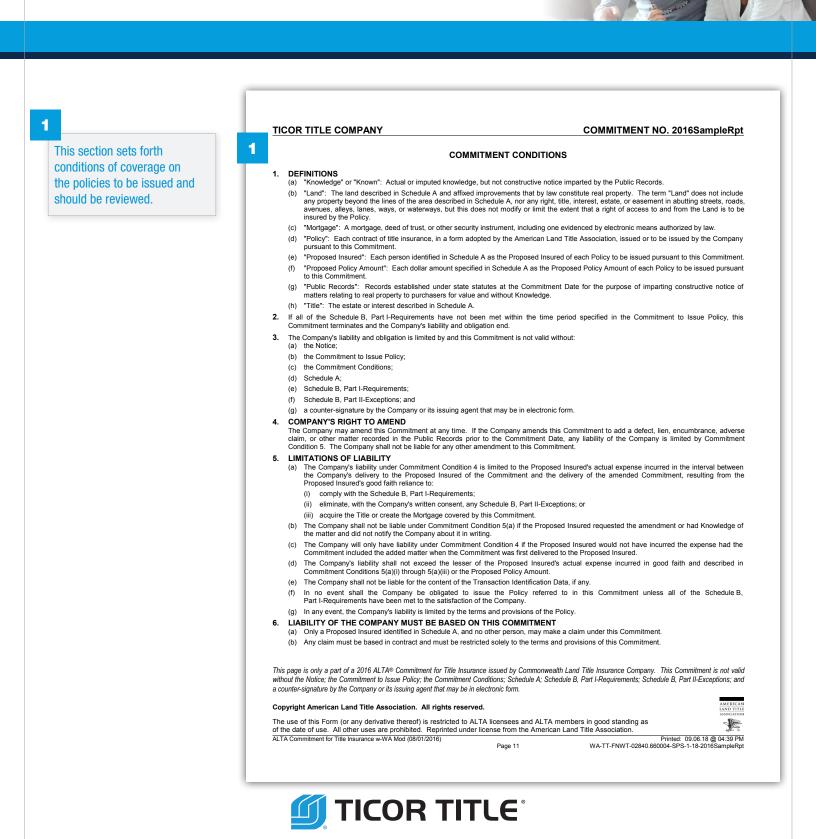
Deeds of Trust: A three-party instrument under which an owner of land (trustor) conveys land to a trustee for the benefit of the lender (beneficiary) to secure the borrower's obligation (usually payment of money evidenced by a promissory note) to the lender. The trustee has limited powers (e.g. to reconvey or to foreclose non-judicially) as specifically directed by the beneficiary.

TICOR TITLE COMPANY COMMITMENT NO. 2016SampleRpt SCHEDULE B, PART II EXCEPTIONS (continued) 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[.] 2018 123456-1234 Tax Account No . Levy Code: 472 Assessed Value-Land: \$97,000.00 Assessed Value-Improvements: \$220,200.00 General and Special Taxes: \$4,898.00 Billed: Paid: \$0.00 \$4,898.00 Unpaid: 6. A deed of trust to secure an indebtedness in the amount shown below, Amount: \$150,000.00 Dated: January 1, 2009 Trustor/Grantor: Mr. Seller LLC, a limited liability company Trustee: Ticor Title Rushing Roulette Loans 01-0555-100016-00 Beneficiary: Loan No.: January 1, 2009 200901030055 Recording Date: Recording No.: END OF SCHEDULE B, PART II This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Commonwealth Land Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form. Copyright American Land Title Association. All rights reserved. K

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COMMITMENT CONDITIONS



COMMITMENT CONDITIONS

	(continued)
	(c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether
	written or oral, express or implied, relating to the subject matter of this Commitment. (d) The deletion or modification of any Schedule B, Part II-Exception does not constitute an agreement or obligation to provide coverage beyond
	the terms and provisions of this Commitment or the Policy.
	 (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company. (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.
7.	IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is
3.	not the Company's agent for the purpose of providing closing or settlement services.
	The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.
	END OF CONDITIONS
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