

WA LITIGATION GUARANTEE

ISSUED BY
STEWART TITLE GUARANTY COMPANY
a corporation, herein called the Company

Guarantee No.: G-0000613327478

Liability: \$ 100,000.00

Fee: \$ 633.72

Order No.: 19-2249-TO

Dated: May 21, 2019

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE.

GUARANTEES

herein called the Assured, against loss not exceeding the liability amount stated above which the Assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records, on the date stated below,

1. The title to the herein described land was vested in the vestee named, subject to the matters shown as Exceptions herein, which Exceptions are not necessarily shown in the order of priority;

All subject, however, to the exclusions from coverage, the limits of liability and the other provisions of the Conditions and Stipulations hereto annexed and made a part of the Guarantee.

Signed under seal for the Company, but this Guarantee is to be valid only when it bears an authorized countersignature.

Countersigned by:

Mari Baker
Authorized Countersignature

Guardian Northwest Title & Escrow dba First
American Title of Skagit County
Company Name

121 NE Midway Blvd.
Suite 101
Oak Harbor, WA 98277
City, State



Matt Morris

Matt Morris
President and CEO

Denise Carraux

Denise Carraux
Secretary

For purposes of this form the "Stewart Title" logo featured above is the represented logo for the underwriter, Stewart Title Guaranty Company.

GUARANTEE CONDITIONS AND STIPULATIONS

1. **Definition of Terms** – The following terms when used in this Guarantee mean:
 - (a) "land": the land described, specifically or by reference, in this Guarantee and improvements affixed thereto which by law constitute real property;
 - (b) "public records": those records which impart constructive notice of matters relating to said land;
 - (c) "date": the effective date;
 - (d) "the Assured": the party or parties named as the Assured in this Guarantee, or in a supplemental writing executed by the Company;
 - (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
2. **Exclusions from Coverage of this Guarantee** – The Company assumes no liability for loss or damage by reason of the following:
 - (a) 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.
 - (b) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
 - (c) Title to any property beyond the lines of the land expressly described in the description set forth in this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways on which such land 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.
 - (d) Defects, liens, encumbrances, adverse claims against the title as guaranteed or other matters (1) created, suffered, assumed or agreed to by one or more of the Assured; or (2) resulting in no loss to the Assured.
3. **Prosecution of Actions** –
 - (a) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish or confirm the matters herein guaranteed; and the Company may take any appropriate action under the terms of this Guarantee whether or not it shall be liable hereunder and shall not thereby concede liability or waive any provision thereof.
 - (b) In all cases where the Company does so institute and prosecute any action or proceeding, the Assured shall permit the Company to use, at its option, the name of the Assured for such purpose. Whenever requested by the Company, the Assured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.
4. **Notice of Loss - Limitation of Action** – A statement in writing of any loss or damage for which it is claimed the Company is liable under this Guarantee shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right of action shall accrue to the Assured under this Guarantee until thirty days after such statement shall have been furnished, and no recovery shall be had by the Assured under this Guarantee unless action shall be commenced thereon within two years after expiration of said thirty day period. Failure to furnish such statement of loss or damage or to commence such action within the time hereinbefore specified, shall be a conclusive bar against maintenance by the Assured of any action under this Guarantee.
5. **Options to Pay, Settle or Compromise Claims** – The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage, the Company shall have the option to purchase the indebtedness secured by said mortgage. Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of the indebtedness shall transfer and assign said indebtedness and the mortgage to the Company upon payment of the purchase price.
6. **Limitation of Liability – Payment of Loss** –
 - (a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall such liability exceed the amount of liability stated on the face page thereof.
 - (b) The Company will pay all costs imposed upon the Assured in litigation carried on by the Company for the Assured, and all costs and attorneys' fees in litigation carried on by the Assured with the written authorization of the Company.
 - (c) No claim for damages shall arise or be maintainable under this Guarantee (1) if the Company after having received notice of an alleged defect, lien or encumbrance not shown as an Exception or excluded herein removes such defect, lien or encumbrance within a reasonable time after receipt of such notice, or (2) for liability voluntarily assumed by the Assured in settling any claim or suit without written consent of the Company.
 - (d) All payments under this Guarantee, except for attorneys' fees as provided for in paragraph 6(b) hereof, shall reduce the amount of the liability hereunder pro tanto, and no payment shall be made without producing this Guarantee for endorsement of such payment unless the guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.
 - (e) When liability has been definitely fixed in accordance with the conditions of this Guarantee, the loss or damage shall be payable within thirty days thereafter.
7. **Subrogation Upon Payment or Settlement** – Whenever the Company shall have settled a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured, and it shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to such claim had this Guarantee not been issued. If the payment does not cover the loss of the Assured, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. The Assured if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation, and shall permit the Company to use the name of the Assured in any transaction or litigation involving such rights or remedies.
8. **Guarantee Entire Contract** – Any action or actions or rights of action that the Assured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Guarantee.
No provision or condition to this Guarantee can be waived or changed except by a writing endorsed or attached hereto signed by the President, a Vice President, the Secretary, an Assistant Secretary or other validating officer of the Company.
9. **Notices, Where Sent** – All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252-2029.
10. **The fee specified on the face of this Guarantee is the total fee for title search and examination and for this Guarantee.**

WA Litigation Guarantee

LITIGATION GUARANTEE

Issued by
STEWART TITLE GUARANTY COMPANY
a corporation, herein called the Company

SCHEDULE A

Prepared by: Guardian Northwest Title & Escrow Company, 60-0021028

Order Number: 19-2249-TO/Item #26/S8305-03-09005-0/408945

Date of Guarantee: May 21, 2019

Amount of Liability: \$100,000.00

Total: \$633.72

Guarantee No.: 613327478

Premium: \$583.00

Sales Tax: \$50.72

1. Name of Assured:
ISLAND COUNTY TREASURER
2. The estate or interest in the land hereinafter described or referred to covered by this Guarantee is:
Fee
3. Title to said estate or interest at the date hereof is vested in:
Directors of McKew, Inc, a dissolved Washington corporation, as Trustees for the shareholders of record.
4. The land referred to in this Guarantee is situated in the State of Washington, County of Island and is described as follows:
See attached Exhibit "A".

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE.

SCHEDULE B

Order Number: 19-2249-TO/Item #26/S8305-03-09005-0/408945

Guarantee No.: 613327478

GENERAL EXCEPTIONS FROM COVERAGE

1. Rights or claims of parties in possession not shown by the Public Records.
2. Easements, or claims of easements, not shown by the public records.
3. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the premises.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Any titles or rights asserted by anyone including but not limited to persons, corporations, governments or other entities, to tidelands, or lands comprising the shores or bottoms of navigable rivers, lakes, bays, ocean or gulf, or lands beyond the line of the harbor or bulkhead lines as established or changed by the United States Government or water rights, if any.
6. Reservations contained in Patent from the United States of America or State where the land described in Schedule A is located.
7. Restrictive Covenants affecting the property described in Schedule A.
8. Indian tribal codes or regulations, Indian treaty or aboriginal rights, including, but not limited to, easements or equitable servitudes.

End of General Exceptions

NOTE: Attention is called to the Military Reservist Relief Act of 1991 (sec. 800 to 810, Military and Veterans Code), and the Servicemembers Civil Relief Act of 2003 (50 U.S.C. Appendix, seq. 501 et seq) which replaces Soldiers' and Sailors' Civil Relief Act of 1940 and amendments thereto, which contain inhibitions against the sale of land under a Deed of Trust if the owner is entitled to the benefits of said acts. Also, federal law may require a judicial foreclosure, subject to applicable redemption rights, to cut off a junior United States judgment.

NOTE: Attention is called to the Federal Tax Lien Act of 1966 (Public Law 89-719) which, among other things, provides for the giving of written notice of sale in a specified manner to the Secretary of Treasury or his or her delegate as a requirement for the discharge or divestment of a Federal Tax Lien in a nonjudicial sale, and establishes with respect to such lien a right in the United States to redeem the property within a period of 120 days from the date of any such sale.

SCHEDULE C

Order Number: 19-2249-TO/Item #26/S8305-03-09005-0/408945

Guarantee No.: 613327478

SPECIAL EXCEPTIONS:

1. Terms and conditions of Articles of Incorporation and Bylaws of Teronda West Country Club Association, including restrictions, regulations and conditions for dues and assessments, as established and levied pursuant thereto, including, but not limited to those as set forth under Auditor's File Nos. 97000941, 97000943, 97001227 and 4163075 (said instruments appear to be duplicates of Auditor's File Nos. 344820, 362627, 387394, 390754, 398119 and 97000942).

2. MATTERS AS DISCLOSED AND/OR DELINEATED ON THE FACE OF THE FOLLOWING SURVEY:

Name: Teronda West, Div. No. 3
Recorded: June 22, 1966
Auditor's No.: 184737

The company calls attention to provisions contained in Washington Uniform Common Interest Ownership Act, Senate Bill 6175 providing that Plats recorded after July 1, 2018, and older Plats that have opted in, that meet the requirements under Senate Bill 6175 will require delivery to the Proposed Purchaser of either a "Public Offering Statement" or "Resale Certificate".

3. RESERVATIONS CONTAINED IN INSTRUMENT:

Recorded: March 10, 1943
Auditor's No.: 57404 (Vol 57 of Deeds, page 234)
Executed By: George W. Allen and Ada E. Allen, husband and wife
As follows: Reserves unto grantors, heirs, successors, and assigns as perpetual right and easement, free of cost and expense, to use water from that certain well and water system located on property hereby conveyed, to connect onto any pipes, pumps or other equipment now or hereinafter installed in connection with said well at a point or points convenient to grantors and to install and maintain a pipe line from the south boundary of said land to the point or points of said connection. The rights and easement herein reserved shall be appurtenant to and exist for the benefit of land owned by the grantors lying immediately south, identified as tax lot 2 in P. Doyle Donation Claim, etc.

4. RESERVATIONS CONTAINED IN INSTRUMENT:

Recorded: March 16, 1979
Auditor's No.: 348892
Executed By: Janice E. Jenkins, a single woman
As follows: Providing all interest in and to all of the oil, gas, and other materials together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas, and other minerals, and storing, handling, transporting and marketing the same therefrom with the right to remove from said land all of grantee's property and improvements.
Affects Lots 5 and 6, Block 9; Lots 4 and 5, Block 10, Lot F, Block 10 and Lot I

5. PROTECTIVE COVENANTS, EASEMENTS AND/OR ASSESSMENTS, BUT OMITTING RESTRICTIONS, IF ANY, BASED ON RACE, COLOR, RELIGION OR NATIONAL ORIGIN:

Recorded: January 7, 1994
Auditor's No.: 94000537

Said covenants appear to be a duplicate of Auditor's File No. 165609 (which was amended under Auditor's File No. 398119).

WA Litigation Guarantee

6. EASEMENT AND PROVISIONS THEREIN:

Grantee: Puget Sound Energy, Inc., formerly Puget Sound Power & Light Co.

Recorded: November 23, 1964

Auditor's No.: 167507

Purpose: Right to construct, operate, maintain, repair, replace and enlarge one or more electric transmission and/or distribution lines and related facilities.

Affects: As located

7. EASEMENT, INCLUDING TERMS AND PROVISIONS THEREOF:

Grantee: West Coast Telephone Company

Recorded: February 15, 1965

Auditor's No. 169623

Purpose: To erect and maintain poles with necessary crossarms, wires, cables, conduits, anchors and fixtures

Area Affected: As located

8. Any tax, fee, assessments or charges as may be levied by Teronda West Country Club Association.

9. Delinquent general taxes, plus interest & penalties:

Year: 2016

Amount Billed: \$1073.33

Amount Paid: \$0.00

Year: 2017

Amount Billed: \$ 308.99

Amount Paid: \$0.00

Year: 2018

Amount Billed: \$327.62

Amount Paid: \$0.00

Year: 2019

Amount Billed: \$288.16

Amount Paid: \$0.00

Tax Account No.: 408945/S8305-03-09005-0

Contact Island County Treasurer for current amounts.

It is possible that said taxes have been partially paid or paid in full; however, due to a seasonal backlog at the County Treasurer's Office, any such tax payments might not be posted on the County computer. We will search the tax records again just prior to closing upon request.

End of Special Exception

WA Litigation Guarantee

Order Number: 19-2249-TO/Item #26/S8305-03-09005-0/408945

Guarantee No.: 613327478

INFORMATIONAL NOTES

- NOTE #1: In accordance with the Document Standardization Requirements becoming effective January 1, 1997, the Company recommends the following abbreviated legal description be used when the full legal description does not appear on the first page OR when a standardization cover sheet is required for recording.

Lt 5 Blk 9 Teronda West #3

NOTE #2: The County tax legal is acceptable for tax sale conveyance purposes.

NOTE #3: According to the Island County Assessor's Rolls, the address for the subject property is:

NHN Sunview Court
Coupeville, WA 98239

NOTE #4: As a courtesy , necessary parties (those having claim or interest by reason of ownership of fee title and matters shown in Special Exceptions), to be made defendants in a court action, are as follows:

1. McKew, Inc.
14719 106th Ave Ct. E
Puyallup, WA 98374-3713

2. Teronda West Country Club Association
P.O. Box 30
Greenbank, WA 98253

NOTE #5: Local Contact Information:

Marci J. Baker
Title Officer
Guardian Northwest Title & Escrow
121 NE Midway Blvd
PO Box 727
Oak Harbor, WA 98277
Ph: (360)675-2286
Email: marci.baker@gnwttitle.com

WA Litigation Guarantee

EXHIBIT A

Order Number: 19-2249-TO/Item #26/S8305-03-09005-0/408945

Guarantee No.: 613327478

PROPERTY DESCRIPTION:

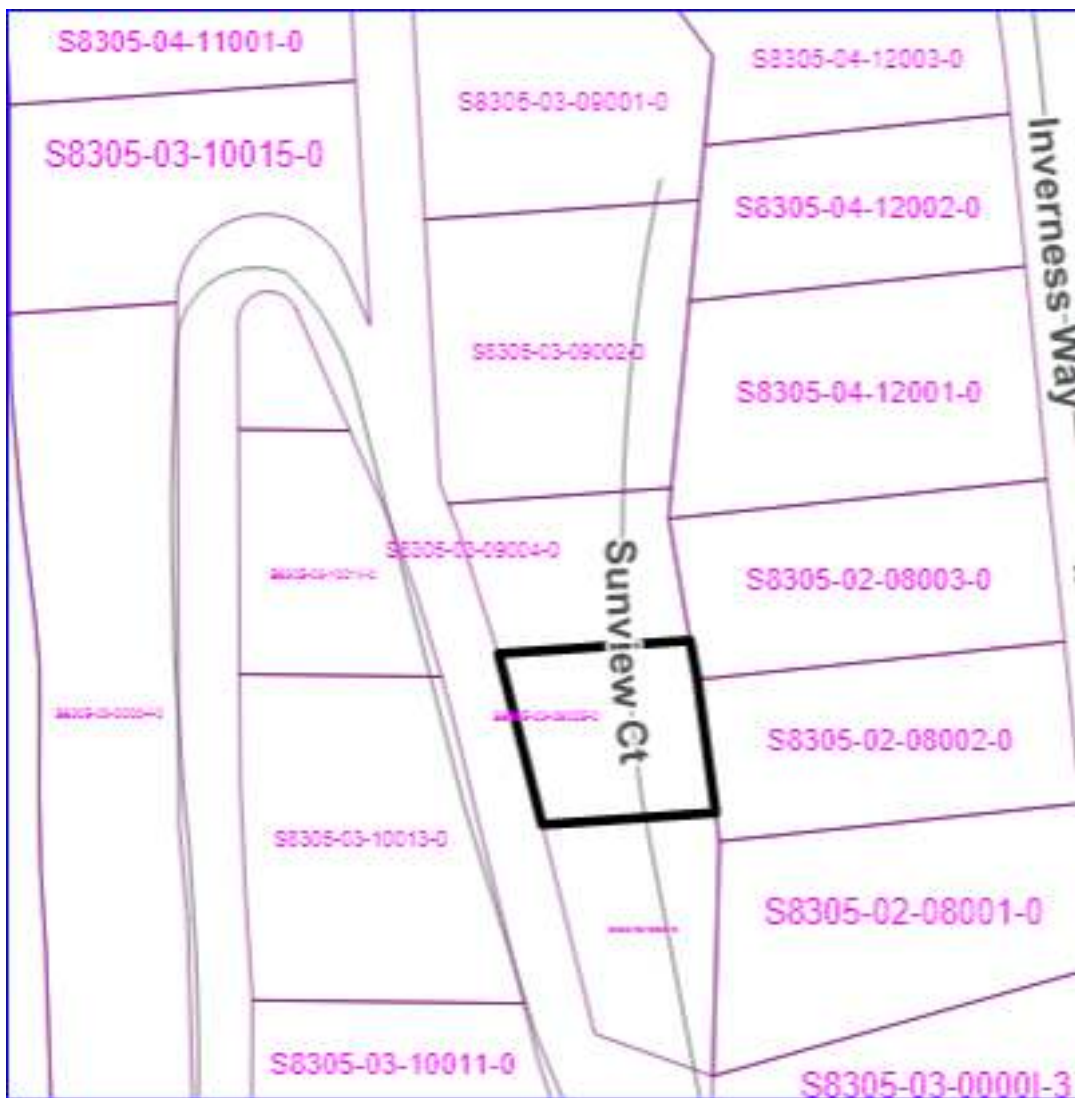
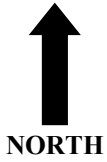
Situate in the County of Island, State of Washington

Lot 5, Block 9, Plat of Teronda West, Division No. 3, according to plat recorded in Volume 9 of Plats, pages 1 and 2, records of Island County, Washington.



Oak Harbor
360-675-2286

Order #19-2249



NOTICE: This sketch is furnished by Guardian Northwest Title & Escrow Company, and its underwriters, as a courtesy only. This sketch is not part of any commitment for title insurance or policy of title insurance. This sketch is furnished solely to assist in locating the premises. It does not purport to be a survey of the premises, to show all highways, to show all roads and/or easements affecting the subject premises. No reliance should be placed upon this sketch for dimensions of the premises. No liability is assumed by Guardian Northwest Title & Escrow Company as to the correctness depicted herein. **This map is not to scale.**

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Filed for Record at Request of

AFTER RECORDING MAIL TO:

C.J. Hinds, Jr.

Box 727

Conneville, WA 98239

FILED	RECORDED
THIS SPACE RESERVED FOR RECORDER'S USE.	
PAGE	REQUEST OF
OCT 15 3 31 PM '84	
H.N. FERNER, AUDITOR ISLAND COUNTY, WASH.	
DEPUTY	

REVENUE STAMPS

FORM L 56 R

Quit Claim Deed

THE GRANTOR

LESLIE O. EDVALDS and PAMELA K. EDVALDS, his wife,

for and in consideration of

In lieu of foreclosure of Real Estate Contract

convey, and quit claim to

McKEW, INC., a Washington corporation

the following described real estate, situated in the County of Island

State of Washington including any interest therein which grantor may hereafter acquire:

Lots 5 and 6, Block 9, "Plat of Teronda West, Division No. 3," as per the map thereof, recorded in Book 9 of Plats, page 162, records of Island County, Washington.

TOGETHER WITH Two (2) Teronda West Water System Share/Hook-up Certificates issued by McKew, Inc., owner of the water system.



EXCISE TAX EXEMPT

OCT 15 1984

PATRICIA C. PFEIFER
ISLAND COUNTY TREASURER

Dated this 1st

day of October, 1984

 (SEAL)
 Leslie O. Edvalds
 (SEAL)
 Pamela K. Edvalds

KANSAS
STATE OF WASHINGTON

County of

On this day personally appeared before me Leslie O. Edvalds and Pamela K. Edvalds, his wife, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the