



Lawyers Title Insurance Corporation  
Albany Branch  
220 5th Avenue SW  
Albany, OR 97321  
541-926-2111 FAX 541-928-8527

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220 5th Avenue SW  
Albany, OR 97321

Date Prepared: November 09, 2006

## PRELIMINARY TITLE REPORT FOR ISSUING TITLE INSURANCE

**Parties:** [REDACTED]

**File Number:** 25g0033421

**Property Address:**

162 41st Ave SE  
Albany, OR 97322

LAWYERS TITLE INSURANCE CORPORATION is prepared to issue title insurance, as of the effective date and in the form and amount shown on Schedule A, subject to the conditions, stipulations and exclusions from coverage appearing in the policy form and subject to the exceptions shown on Schedule B. This report is preliminary to the issuance of a policy of title insurance and shall become null and void unless a policy is issued and the full premium paid.

This report is for the exclusive use of the person to whom it is addressed. Title insurance is conditioned on recordation of satisfactory instruments that establish the interests of the parties to be insured; until such recordation, the Company may cancel or revise this report for any reason.

Thank you for placing the order with us.

If you need assistance with this report, please contact:

**Escrow Officer:** Robin Sullivan, 541-926-2111 Fax: 541-928-8527  
E-mail: rsullivan@landam.com

**Title Officer:** Katherine Cruz: 541-757-1466, Fax: 753-0888  
E-mail: kcruz@landam.com

**SCHEDULE A**

**1. The effective date of this preliminary title report is 5:00 P.M. on**

November 03, 2006

**2. The policies and endorsements to be insured and the related charges are:**

<b>Policy/Endorsement Description</b>	<b>Liability</b>	<b>Charge</b>
<b>ALTA Standard Owner's Policy</b> (Short Term Rate Applied)	[REDACTED]	[REDACTED]
PROPOSED INSURED: Owner's Policy [REDACTED]		
<b>ALTA Extended Lender's Policy</b> (Simultaneous Issue Rate)	[REDACTED]	[REDACTED]
ALTA 9, 116 & 8.1 Endorsements		[REDACTED]
PROPOSED INSURED: Lender's Policy as requested in Lender Documents		
<b>Local Govt. Lien Search</b>		[REDACTED]

**3. Title to the land described herein is vested in:**

Emerald Holdings, LLC, an Oregon limited liability company

**The estate or interest in land is:**

Fee Simple

**4. The land referred to in this report is described as follows:**

Lot 15, Block 1, Marion Industrial Park, Albany, Linn County, Oregon.

## SCHEDULE B

**Except for the items properly cleared though closing, the proposed policy or policies will not insure against loss or damage which may arise by reason of the following:**

### STANDARD EXCEPTIONS:

1. 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 record; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easements, or encumbrances not shown by the public records, reservations or exceptions in patents or in acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.
5. Any lien, or right to lien, for unemployment taxes, workmen's compensation, services, labor, equipment rental or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

### SPECIAL EXCEPTIONS:

6. Unpaid taxes for the year 2006-07  
 Original Amount : \$1,006.83  
 Unpaid Balance : \$1,006.83, plus interest  
 Account No. 0713160; Levy Code 008-01; Map 11S03W19 A 02200
7. Municipal liens, if any, imposed by the City of Albany. We find none per the public records as of November 3, 2006.
8. The subject property lies within the boundaries of Linn Soil and Water District and is subject to the levies and assessments thereof.
9. An easement created by instrument, including the terms and provisions thereof,  
 Recorded : May 3, 1949  
 As : B 208; P 229  
 In favor of : United States of America  
 For : Electric power transmission line and appurtenances

- 10. An easement created by instrument, including the terms and provisions thereof,  
 Recorded : April 29, 1953  
 As : B 232; P 173  
 In favor of : United States of America  
 For : Electric power transmission line and appurtenances
- 11. Terms and provisions of Land Use Agreement.  
 Recorded : October 14, 1980  
 As : V 273; P 742  
 By and between : Department of Energy, Bonneville Power Administration and the  
 City of Albany
- 12. Conditions, restrictions and/or setbacks as shown the recorded plat.
- 13. Easements, subject to the terms and provisions thereof, as delineated and set forth on  
 the recorded plat,  
 For : Public utilities
- 14. Rights of the public, riparian owners and governmental bodies as to the use of the  
 waters of an unnamed creek and the natural flow thereof on and across that portion of  
 the subject land lying below the high water line of said waterway.
- 15. [REDACTED]  
 Dated : [REDACTED]  
 Recorded : [REDACTED]  
 As : [REDACTED]  
 Grantor : [REDACTED]  
 Trustee : [REDACTED]  
 Beneficiary : [REDACTED]  
 Amount : [REDACTED]  
 Loan No. : [REDACTED]
- 16. A copy of the Articles of Organization and of the Operating Agreement of Emerald  
 Holdings, LLC, a limited liability company, any amendments thereto, and any  
 assignments of members' interests, should be furnished to us prior to closing. Any  
 conveyance or encumbrance must be executed by all the members unless otherwise  
 provided for in the Articles of Organization and/or the Operating Agreement.

**END OF EXCEPTIONS**

**NOTES:**

- A. We have searched and find no federal or state liens or judgments of record in Linn County,  
 Oregon against the above named vestee(s) [REDACTED]

B. CHAIN OF TITLE: The county deed records show the following conveyance or conveyances affecting the subject property recorded during the period beginning 24 months before, and ending on, the effective date of this report:

Title of conveyance : Statutory Warranty Deed  
Recorded : May 10, 2006  
As : 2006-11180

Title of Conveyance : Statutory Bargain and Sale Deed  
Recorded : May 10, 2006  
As : 2006-11179

C. A copy of the Articles of Organization and of the Operating Agreement of [REDACTED] any amendments thereto, and any assignments of members' interests, should be furnished to us prior to closing. Any conveyance or encumbrance must be executed by all the members unless otherwise provided for in the Articles of Organization and/or the Operating Agreement.

D. No search has been made or will be made for water, sewer, or storm drainage charges. Buyers should check with the appropriate City bureau or water/sewer district and obtain a final reading. Such charges are not adjusted in escrow.

E. Exceptions 1 through 5 may be modified or eliminated from the lenders policy based upon receipt and review of additional evidence of insurability, including, but not necessarily limited to, the following:

- (i) If a survey is not required for loan purposes, the Company will not require a survey.
- (ii) Proof that there are no parties in possession or claiming the right to be in possession other than the vestee herein and that there are no existing leases or tenancies.
- (iii) Satisfactory evidence or indemnity that there are no statutory liens for labor or material, including liens for contributions due to the State of Oregon for unemployment compensation and for workmen's compensation which have gained or hereafter may gain priority over the lien of the insured mortgage, which liens do not now appear of record.

**LENDER NOTE:** LAWYERS TITLE INSURANCE CORPORATION, a Nebraska corporation is the correct name to use if you are going to use this company as the trustee for a trust deed in this transaction.

**NOTICE:** Recording Fee - SUBJECT TO CHANGE WITHOUT NOTICE

COUNTY	FIRST PAGE	EACH ADDITIONAL PAGE
Linn	\$26.00	\$5.00

**Note: ANY DOCUMENTS TO BE RECORDED IN LINN COUNTY SHOULD BE SENT DIRECTLY TO OUR ALBANY OFFICE TO AVOID UNNECESSARY DELAYS IN RECORDING TIME: Lawyers Title Insurance Corporation 220 SW 5th Ave., Albany, OR 97321**

\*\*Line of Credit Documents are considered as an extra document and will be charged as an extra page.

