



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: 4/30/2025

Department: Public Works



Title:

North Santiam Canyon Sewer Project - Warranty Deed

Management Update/Work Session Date: 4/15/2025

Audio/Visual aids ☐

Time Required: 5 minutes

Contact: Chris Einmo

Phone: 503-566-4119

Requested Action:

Endorse Warranty deed for real property acquisition and title transfer for a property located in Linn County for North Santiam Canyon Sewer Project on which the new Mill City Wastewater Treatment Plant will be constructed.

Issue, Description
& Background:

Under Agreement SR2240, OBDD awarded \$50M in American Rescue Plan Act funds to Marion County for the purpose of constructing wastewater system improvements in the North Santiam Canyon. The project is required to deliver a municipal wastewater treatment plant under very aggressive funding deadlines.

Public Works has completed the creation of the parcel on which the new Mill City Wastewater Treatment Plant will be constructed. The next step in the real property acquisition process will be endorsement of the deed by the current property owners transferring title to Marion County, followed by acceptance of title by the Board.

Financial Impacts:

The purchase price for this property is \$1,639,000, which includes an obligation for the property owner to dedicate to the public an additional 2.10 acres at no cost to Marion County to accommodate realignment of Fairview Street. This is a budgeted expense in the current fiscal year.

Impacts to Department
& External Agencies:

There are no impacts to external agencies, but this project will benefit the public at large.

List of attachments:

Warranty deed

Presenter:

Chris Einmo

Department Head
Signature:

Dennis Mansfield

Digitally signed by Dennis Mansfield
Date: 2025.04.16 13:59:34 -07'00'

Recording Cover Sheet

All Transactions (ORS 205.234)

After Recording Return To:

Marion County Public Works Department

5155 Silverton Road NE

Salem, OR 97305

Mail Tax Statements To:

Exempt, Public Property

Reserved for Recording Label

1. Name / Title of Transaction (ORS 205.234 (1a))

Warranty Deed

2. Grantor / Direct Party Name (ORS 205.125 (1b), 205.160 & 205.234 (1b))

Lucas Joint Revocable Living Trust, Donna J. Berning, Trustee, 720 Michael Way, Aumsville,
Oregon 97305; Scott J. and Shelly J. Baughman, 270 Whitten Road, Mill City, OR 97360

3. Grantee / Indirect Party Name (ORS 205.125 (1b), 205.160 & 205.234 (1b))

Marion County, a political subdivision of the State of Oregon

4. True and Actual Consideration (ORS 93.030)

\$1,639,000.00

5. If this instrument is being re-recorded, complete the following statement (ORS 205.244)

Re-recorded at the request of _____

to correct _____

Previously recorded in Book _____ and page _____ or DN _____

WARRANTY DEED

KNOW ALL PERSONS BY THESE PRESENTS, That **Donna J. Berning, Trustee of the Lucas Joint Revocable Living Trust, dated November 5, 2019, as to an undivided 2/3 interest and Scott J. Baughman and Shelly J. Baughman, as tenants by the entirety as to an undivided 1/3 interest**, hereinafter called the grantor, hereby conveys and warrants unto **Marion County, a political subdivision of the State of Oregon**, hereinafter called the grantee, its successors and assigns, all that real property located in Linn County, State of Oregon, and more particularly described as follows:

See Exhibit "A" attached and as shown on Exhibit Map attached to and made a part hereof.

And covenants that grantor is the owner of the above-described property free of all encumbrances except those of record, if any.

The true and actual consideration paid for this conveyance is **One Million Six Hundred Thirty-Nine Thousand and no/100 Dollars (\$1,639,000.00)**.

In construing this deed and where the context so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

In Witness Whereof, the grantor has executed this instrument on April 17, 2025; if grantor is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

The following is the notice as required by Oregon law: "BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010."

(The remainder of this page left intentionally blank.)

Grantor:

Marion County Acceptance By:
Marion County Board of Commissioners

Donna J. Berning
Donna J. Berning, Trustee
Lucas Joint Revocable Trust

Chair

Scott J. Baughman
Scott J. Baughman

Commissioner

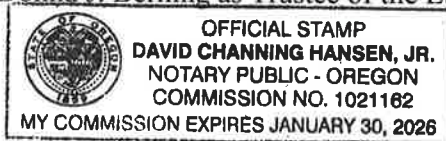
Shelly J. Baughman
Shelly J. Baughman

Commissioner

Date

STATE OF OREGON)
)ss.
County of Marion)

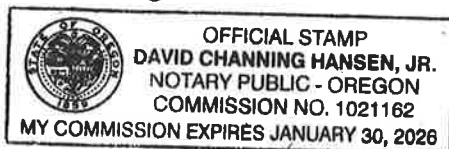
This instrument was acknowledged before me on April 17, 2025,
by Donna J. Berning as Trustee of the Lucas Joint Revocable Trust.



[Signature]
Notary Public for Oregon
My Commission Expires: 01/30/2026

STATE OF OREGON)
)ss.
County of Marion)

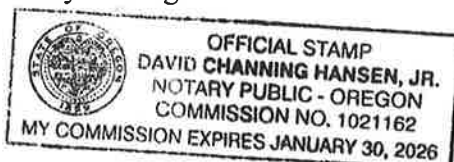
This instrument was acknowledged before me on April 17, 2025,
by Scott J. Baughman.



[Signature]
Notary Public for Oregon
My Commission Expires: 01/30/2026

STATE OF OREGON)
)ss.
County of Marion)

This instrument was acknowledged before me on April 17, 2025,
by Shelly J. Baughman.



[Signature]
Notary Public for Oregon
My Commission Expires: 01/30/2026

EXHIBIT A

A unit of land situated in the northeast one-quarter of Section 32, Township 9 South, Range 3 East, of the Willamette Meridian, Linn County, Oregon, being more particularly described as follows:

Parcel 2 of Partition Plat 2025-07, Linn County Record of Partition Plats.

Containing 10.15 acres, more or less.





0' 150'
SCALE: 1" = 150'

LUCAS/BAUGHMAN
INSTR. NO. 2006-05928
& INSTR. NO. 2006-30508
SEE ALSO INSTR. NO. 2018-17156

NORTH LINE OF
SECTION 32

WEST LINE OF NE 1/4 OF
THE NE 1/4 OF SECTION 32

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
SEPTEMBER 12, 2017
STEVEN LEE HOWELL
91569

RENEWS: 6-30-2025

EXHIBIT B

IN THE NE 1/4 OF SECTION 32,
TOWNSHIP 9 SOUTH, RANGE 3 EAST, W.M.
LINN COUNTY, OREGON

DATE: JANUARY 02, 2025

PROPOSED 60' STREET DEDICATION (2.10 ACRES)
N88°44'58"E 513.82'

POINT OF BEGINNING

S00°43'26"E
100.00'

N88°44'58"E 515.00'

S01°23'55"E
100.00'

SUBJECT AREA
10.15 ACRES

N00°43'26"W 850.00'

S01°23'55"E 849.97'

PROPOSED 60' STREET DEDICATION (2.10 ACRES)

S88°44'58"W 525.01'

COUNTY ROAD 816
(ROAD BOOK 8, PAGE 409)

LUCAS/BAUGHMAN
INSTR. NO. 2006-05928
& INSTR. NO. 2006-30508
SEE ALSO INSTR. NO. 2018-17156

SURVEYED FOR: KELLER ASSOCIATES



FFN SURVEYING

7230 3rd Street SE #145, Turner, OR 97392
P: (503) 558-3330 E: info@ffnsurveying.com

JOB NO.
23-452

SHEET
1/1

Fidelity National Title Company of Oregon

500 Liberty St. SE, Ste 200, Salem, OR 97301
Phone: (503)585-7219

ESTIMATED BUYER'S STATEMENT

Settlement Date: April 25, 2025

Disbursement Date: April 25, 2025

Escrow Number: 60222500994

Escrow Officer: KimberLee Chasteen

Email: Kimberlee.Chasteen@FNF.com

Buyer: Marion County, a political subdivision of the State of Oregon

Seller: Lucas Joint Revocable Living Trust

Seller: Scott J. Baughman and Shelly J. Baughman
PO Box 943
Mill City, OR 97360

Property: 09S03E32-00-00100
OR

	\$	DEBITS	\$	CREDITS
FINANCIAL CONSIDERATION				
Sale Price of Property		1,639,000.00		
Funds paid in advance to Baughman by purchaser				75,000.00
PRORATIONS/ADJUSTMENTS				
County Taxes at \$807.74	04/25/25 to 07/01/25 (\$807.74 / 365 X 67 days)	148.27		
TITLE & ESCROW CHARGES				
Title - Escrow Fee	Fidelity National Title Company of Oregon	3,859.00		
Title - Recording Service Fee to ValueCheck, Inc.	Fidelity National Title Company of Oregon	15.00		
Title - Owner's Title Insurance	Fidelity National Title Company of Oregon	3,059.00		
Policies to be issued: Owners Policy Coverage: \$1,639,000.00Premium: \$3,059.00 Version: ALTA Owner's Policy 2021				
GOVERNMENT CHARGES				
Recording Fees	Fidelity National Title Company of Oregon	130.00		
Subtotals		1,646,211.27		75,000.00
Balance Due FROM Buyer				1,571,211.27
TOTALS		1,646,211.27		1,646,211.27

I have carefully reviewed the Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements to be made on my account or by me in this transaction. I further certify that I have received a copy of the Settlement Statement.

BUYER:

Marion County, a political subdivision of the State of Oregon

BY: _____

Danielle Bethell

Chair

Date _____

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

To whom it may concern:

From: Fidelity National Title Company of Oregon

Property: 09S03E32-00-00100, OR

Date: April 22, 2025

This is to give you notice that Fidelity National Title Company of Oregon is referring you to its affiliate, ValueCheck, Inc., a settlement services provider located in Colorado. Fidelity National Financial, Inc. is the ultimate parent company of both Fidelity National Title Company of Oregon and ValueCheck, Inc. Because of this relationship, this referral may provide ValueCheck, Inc. a financial or other benefit.

Set forth below is the estimated charge or range of charges by ValueCheck for the settlement services listed. You are NOT required to use the listed provider as a condition for purchase, sale or refinance of the subject property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

ERecording Services: \$15.00/order*

*The estimated charges shown above may vary slightly depending on the location of the Property.

Acknowledgment

I/We have read this disclosure form and understand that Fidelity National Title Company of Oregon is referring me/us to purchase the above described settlement service(s), and may receive a financial or other benefit as a result of this referral.

Signature: _____ Date: _____

Signature: _____ Date: _____



**NOTICE OF SETTLEMENT AGENT
RESPONSIBILITY**

KimberLee Chasteen, Sr. Escrow Officer
Fidelity National Title Company of Oregon
500 Liberty St. SE, Ste 200
Salem, OR 97301
Phone: (503)585-7219 Fax:

Date: April 22, 2025
Escrow No.: 60222500994-KC
Seller(s): Lucas Joint Revocable Living Trust
Scott J. Baughman and Shelly J.
Baughman
Buyer(s): Marion County, a political subdivision of
the State of Oregon
Property: 09S03E32-00-00100
OR

The Foreign Investment in Real Property Tax Act (FIRPTA), Title 26 U.S.C., Section 1445, and the regulations thereunder, when applicable, provide in part that a transferee (buyer) of a U.S. real property interest from a foreign person must withhold a statutory percentage of the amount realized on the disposition, report the transaction and remit the withholding to the Internal Revenue Service (IRS) within twenty (20) days after the transfer.

The following limitations on the escrow responsibilities of Escrow Holder apply, except to the extent that Escrow Holder is instructed to act, agrees to act and acts as a Qualified Substitute under FIRPTA or is instructed to act, agrees to act and acts as a transmitter of IRS forms and a withholding payment.

Escrow Holder will not determine, and will not aid in the determination of, whether the FIRPTA withholding provisions are applicable to the subject transaction. Escrow Holder will not furnish tax advice to any party to the transaction. Escrow Holder will not determine, and will not aid in the determination of, whether the transaction will qualify for a FIRPTA exception or exemption. Escrow Holder will not be responsible for the filing of any tax form with the IRS related to FIRPTA, and will not be responsible for collecting and holding any documentation from the buyer or seller on the buyer's behalf for the purpose of supporting a claim of an exception or exemption. Escrow Holder is not an agent for the buyer for the purposes of receiving and analyzing any evidence or documentation that the seller in the subject transaction is a U.S. citizen or resident alien. Escrow Holder is not responsible for the payment of this tax and/or any penalty and/or interest incurred in connection with FIRPTA, and such taxes are not a matter covered by the Owner's Policy of Title Insurance to be issued to the buyer. Escrow Holder is not responsible for the completion of any IRS document or form related to FIRPTA. The buyer is advised that (a) the buyer must independently make a determination of whether the contemplated transaction is subject to the withholding requirement; (b) the buyer bears full responsibility for compliance with the withholding requirement if applicable and for payment of any FIRPTA-related tax, interest, penalty or other expense that may be due on the subject transaction; (c) the buyer is responsible for the completion of any and all FIRPTA-related forms, including but not limited to applicable IRS documentation, and for the mailing of those forms; and (d) any FIRPTA-related form, document or information received from Escrow Holder is not tax or legal advice, should not be construed as such and should not be treated as a complete representation of FIRPTA requirements. Buyer should seek outside counsel from a qualified individual to determine any and all implications of FIRPTA and its regulations. The buyer's signature below is the buyer's acknowledgment of receiving this notice.

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

Marion County, a political subdivision of the State of
Oregon

BY: _____
Danielle Bethell
Chair

Date



Fidelity National Title
Company of Oregon

**SUPPLEMENTAL ESCROW INSTRUCTIONS
REGARDING CERTIFICATION OF
NON-FOREIGN STATUS,
APPOINTMENT OF QUALIFIED SUBSTITUTE,
ACKNOWLEDGEMENT, AND INDEMNITY
(No Remittance)**

Escrow Agent:
Fidelity National Title Company of Oregon
500 Liberty St. SE, Ste 200
Salem, OR 97301
Phone: (503)585-7219 Fax:

Date: April 22, 2025
Escrow No.: 60222500994-KC
Buyer(s): Marion County, a political subdivision of
the State of Oregon
Seller(s): Lucas Joint Revocable Living Trust
Scott J. Baughman and Shelly J.
Baughman
Property: 09S03E32-00-00100
OR

Seller hereby hands ESCROW AGENT herewith Seller's Certification of Non-Foreign Status. (If more than one (1) Seller is shown above, each Seller has furnished a separate Certification unless the Certification does not apply to a particular Seller.)

Seller and Buyer hereby designate ESCROW AGENT as Qualified Substitute under Internal Revenue Code Section 1445(f)(6)(A), and instruct ESCROW AGENT to retain an electronic copy of the Certification(s) furnished by Seller for six (6) years after the closing date, and to furnish to Buyer at closing ESCROW HOLDER Statement of Qualified Substitute as provided in Section 1445(b)(9).

Seller and Buyer hereby acknowledge and agree to the following:

1. Seller and Buyer have been advised to seek competent outside legal counsel and tax advice to determine their respective obligations under Section 1445 of the Internal Revenue Code ("FIRPTA").
2. Buyer has been advised that Buyer must make an independent determination of whether the contemplated transaction is subject to the FIRPTA withholding requirement.
3. ESCROW AGENT and its employees have not provided any advice to Seller or to Buyer regarding their obligations under FIRPTA, and any form, document, or information received from ESCROW AGENT does not constitute tax or legal advice.
4. ESCROW AGENT will neither determine nor aid in the determination of whether FIRPTA withholding is applicable to the subject transaction, or whether the transaction is qualified for an exemption under FIRPTA.
5. ESCROW AGENT is not the Seller's agent under FIRPTA.
6. ESCROW AGENT is not the Buyer's agent under FIRPTA.
7. ESCROW AGENT is not responsible for the payment of FIRPTA tax and/or penalty and/or interest incurred in connection with Seller's and Buyer's obligations under FIRPTA, and such taxes are not a matter covered by the Owner's Policy of Title Insurance to be issued to Buyer.
8. As Qualified Substitute, ESCROW AGENT'S liability is limited to retaining an electronic copy of Seller's Certification of Non-Foreign Status for six (6) years from the date of closing and furnishing a copy of Seller's Certification to the Internal Revenue Service if requested by Buyer or by the Internal Revenue Service during that six (6) year period.
9. Buyer is not exempt from FIRPTA withholding obligation if Buyer has knowledge of a false certification by Seller.

**SUPPLEMENTAL ESCROW INSTRUCTIONS REGARDING CERTIFICATION OF
NON-FOREIGN STATUS, APPOINTMENT OF QUALIFIED SUBSTITUTE,
ACKNOWLEDGEMENT, AND INDEMNITY
(No Remittance)
(continued)**

Seller and Buyer hereby indemnify and hold ESCROW AGENT, its employees, agents and insurers harmless from any tax liability, claims, loss or damage arising under Internal Revenue Code Section 1445 ("FIRPTA"), resulting from the foreign status of any Seller herein, except as set forth above in Paragraph 8 of these supplemental instructions.

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE INSTRUCTIONS THAT THEY SUPPLEMENT OTHER INSTRUCTIONS IN THIS ESCROW AND THAT THE ABOVE AND THE OTHER SUPPLEMENTAL ESCROW INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS COMPANY AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL OF THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE CAREFULLY, AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

END OF INSTRUCTIONS

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

BUYER(S):

Marion County, a political subdivision of the State of
Oregon

BY: _____	_____
Danielle Bethell	Date
Chair	

SELLER(S):

Lucas Joint Revocable Living Trust

BY: _____	_____
Donna J. Berning	Date
Trustee	

_____ Scott J. Baughman	_____ Date
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_____ Shelly J. Baughman	_____ Date
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**SUPPLEMENTAL ESCROW INSTRUCTIONS REGARDING CERTIFICATION OF
NON-FOREIGN STATUS, APPOINTMENT OF QUALIFIED SUBSTITUTE,
ACKNOWLEDGEMENT, AND INDEMNITY
(No Remittance)
(continued)**

RECEIVED THIS _____ BY FIDELITY NATIONAL TITLE COMPANY OF
OREGON AS ESCROW AGENT.

Signature

KimberLee Chasteen

Print Name



KimberLee Chasteen, Sr. Escrow Officer
Fidelity National Title Company of Oregon
500 Liberty St. SE, Ste 200
Salem, OR 97301
Phone: (503)585-7219 Fax:

Date: April 22, 2025
Escrow No.: 60222500994-KC
Property: 09S03E32-00-00100
OR

I have read the Preliminary Report dated March 13, 2025 covering the property described in your above numbered escrow, and approve the Policy of Title Insurance to be issued to me as required by my instructions to include as encumbrances therein General Exception No(s). 1-5 and Specific Item and Exception No(s). 7, 8, 10,19 of said report, in addition to those specific items described in my escrow instructions or created by me. I know of no other matters pertaining to the condition of title other than stated in this report. Further, we approve the legal description as being the property which is the subject of this escrow.

I hereby acknowledge receipt of a copy of said Preliminary Report.

In addition to the above, the undersigned hereby approve the legal description shown in said report and authorize the use of said description on all documents in this transaction.

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE INSTRUCTIONS OR THOSE ESCROW INSTRUCTIONS WHICH ARE ATTACHED HERETO THAT SUCH INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL OF THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY, AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.


BUYER(S):

Marion County, a political subdivision of the State of Oregon

BY: _____
Danielle Bethell
Chair

Date

Fidelity National Title Company of Oregon

By:  _____
KimberLee Chasteen, Sr. Escrow
Officer

Date



Fidelity National Title
Company of Oregon

500 Liberty St. SE, Ste 200, Salem, OR 97301
(503)585-7219

PRELIMINARY REPORT

ESCROW OFFICER: KimberLee Chasteen
Kimberlee.Chasteen@FNF.com
503-385-2233

ORDER NO.: 60222500994
Supplement 1: Amend
Legal/Remove Exc.

TITLE OFFICER: Dave Driskill

TO: Fidelity National Title Company of Oregon
500 Liberty St. SE, Ste 200
Salem, OR 97301

ESCROW LICENSE NO.: 960100001

OWNER/SELLER: Lucas Joint Revocable Living Trust, Scott J. Baughman and Shelly J. Baughman

BUYER/BORROWER: Marion County, a political subdivision of the State of Oregon

PROPERTY ADDRESS: 09S03E32-00-00100, OR

EFFECTIVE DATE: March 13, 2025, 08:00 AM

1. THE POLICY AND ENDORSEMENTS TO BE ISSUED AND THE RELATED CHARGES ARE:

	<u>AMOUNT</u>	<u>PREMIUM</u>
ALTA Owner's Policy 2021	\$ 1,639,000.00	\$ 3,059.00
Owner's Standard		
OTIRO Endorsement No. 110		\$ 0.00

2. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee

3. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

Donna J. Berning, Trustee of the Lucas Joint Revocable Living Trust, dated November 5, 2019, as to an undivided 2/3 interest and Scott J. Baughman and Shelly J. Baughman, as tenants by the entirety as to an undivided 1/3 interest

4. THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE COUNTY OF LINN, STATE OF OREGON, AND IS DESCRIBED AS FOLLOWS:

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

Read and Approved

Date _____

EXHIBIT "A"
Legal Description

A unit of land situated in the northeast one-quarter of Section 32, Township 9 South, Range 3 East, of the Willamette Meridian, Linn County, Oregon, being more particularly described as follows:

Parcel 2 of Partition Plat 2025-07, recorded March 24, 2025 as document no. 2025-3185, Linn County Record of Partition Plats.

AS OF THE DATE OF THIS REPORT, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN THE POLICY FORM WOULD BE AS FOLLOWS:

GENERAL 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 Records; 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 the Land or by making inquiry of persons in possession thereof.
- 3. Easements, or claims of easement, which are 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 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 a lien for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

SPECIFIC ITEMS AND EXCEPTIONS:

- ~~6.~~ [Intentionally Deleted]
- 7. Any adverse claim based on the assertion that any portion of the subject land has been removed from or brought within the subject land's boundaries by the process of accretion or reliction or any change in the location of North Santiam River and/or Old Log Pond.

Any adverse claim based on the assertion that any portion of the subject land has been created by artificial means or has accreted to such portions so created, or based on the provisions of ORS 274.905 through 274.940.

Any adverse claim based on the assertion that any portion of the subject land is now or at any time has been below the ordinary high water line of North Santiam River and/or Old Log Pond.

Rights of fishing, navigation, commerce, flood control, propagation of anadromous fish, and recreation, and other rights of the public, Indian tribes or governmental bodies in and to the waters of North Santiam River and/or Old Log Pond.
- 8. Rights of the public to any portion of the Land lying within the area commonly known as streets, roads and highways.
- ~~9.~~ [Intentionally Deleted]

10. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Vancouver Plywood Co.
Purpose: For water from the Santiam River
Recording Date: October 27, 1959
Recording No: Volume 268, Page 93
Affects: Reference is hereby made to said document for full particulars

~~11.~~ [Intentionally Deleted]

~~12.~~ [Intentionally Deleted]

~~13.~~ [Intentionally Deleted]

~~14.~~ [Intentionally Deleted]

~~15.~~ Any invalidity or defect in the title of the vestees in the event that the trust referred to herein is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument.

If title is to be insured in the trustee(s) of a trust (or if their act is to be insured), this Company will require a copy of said Trust Agreement or a Trust Certification pursuant to ORS Chapter 130.860.

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

If the forthcoming conveyance/encumbrance is to be executed by the original trustee(s), it will not be necessary to furnish a copy of the trust agreement.

~~16.~~ Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

~~17.~~ [Intentionally Deleted]

~~18.~~ Any claim based on the failure to comply with the provisions of Governmental Laws and Regulations regarding the division of land.

19. Existing leases and tenancies, if any, and any interests that may appear upon examination of such leases.

~~20.~~ If requested to issue an extended coverage ALTA loan policy, the following matters must be addressed:

- a) The rights of tenants holding under unrecorded leases or tenancies
- b) Matters disclosed by a statement as to parties in possession and as to any construction, alterations or repairs to the Land within the last 75 days. The Company must be notified in the event that any funds are to be used for construction, alterations or repairs.
- c) Any facts which would be disclosed by an accurate survey of the Land

ADDITIONAL REQUIREMENTS/NOTES:

- A. Note: Property taxes for the fiscal year shown below are paid in full.

Fiscal Year: 2024-2025
Amount: \$23.02
Levy Code: 12701
Account No.: 945687 (code split)
Map No.: 09S03E32-00-00100
Affects: Said property and other property

Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.

- B. Note: Property taxes for the fiscal year shown below are paid in full.

Fiscal Year: 2024-2025
Amount: \$784.72
Levy Code: 12702
Account No.: 12340 (code split)
Map No.: 09S03E32-00-00100
Affects: Said property and other property

Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.

- C. NOTE: The following are required when a principal to the proposed transaction is an instrumentality of the state, such as a municipality, a county or other governmental body:

- Certification, with supporting documentation, that the board or other governing authority of the governmental body has approved the transaction in accordance with applicable practices, procedures, rules, ordinances and statutes.
- Certification that a named person or persons, identified by name and position, are authorized to act on behalf of the governmental body in the proposed transaction.
- Verification of the current legal name and good standing of the governmental body when it is a local governmental body other than a city or county.

✓ **WARNING REGARDING DEED OR CONTRACT TO TAX-EXEMPT GOVERNMENTAL TRANSFEREE.**

Oregon law prohibits the county recording officer from recording a deed or contract to a tax-exempt governmental transferee, unless the deed or contract is accompanied by a certificate of payment of ad valorem county taxes. The certificate must be attested by the county assessor using a form prescribed by the Oregon Department of Revenue. Failure to allow adequate time for obtaining a certificate of payment may delay recording. This requirement is contained in Chapter 96, Oregon Laws 2015, effective Oct. 5, 2015.

- D. In addition to the standard policy exceptions, the exceptions enumerated above shall appear on the final ALTA Policy unless removed prior to issuance.

- E. Note: If an Owner's Title Insurance Policy is requested, the State of Oregon requires every ALTA Owner's Policy (07-01-2021) to include the OTIRO 110 Endorsement as a supplement to the definition of Insured in said Owner's Policy's Conditions to confirm coverage is the same for an Oregon Registered Domestic Partner as it is for a Spouse.

- F. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, processing, manufacture, sale, dispensing or use of marijuana and psilocybin, the Company is not able to close or insure any transaction involving Land associated with these activities.
- G. Note: The only conveyance(s) affecting said Land, which recorded within 24 months of the date of this report, are as follows:
- Grantor: Rex A. Lucas
Grantee: Donna J. Berning, Trustee of the Lucas Joint Revocable Living Trust, dated
November 5, 2019
Recording Date: May 30, 2024
Recording No: 2024-05863
- Re-Recording Date: June 13, 2024
Re-Recording No: 2024-06494
Reason To correct the legal description
- H. Note: No utility search has been made or will be made for water, sewer or storm drainage charges unless the City/Service District claims them as liens (i.e. foreclosable) and reflects them on its lien docket as of the date of closing. Buyers should check with the appropriate city bureau or water service district and obtain a billing cutoff. Such charges must be adjusted outside of escrow.
- I. THE FOLLOWING NOTICE IS REQUIRED BY STATE LAW: YOU WILL BE REVIEWING, APPROVING AND SIGNING IMPORTANT DOCUMENTS AT CLOSING. LEGAL CONSEQUENCES FOLLOW FROM THE SELECTION AND USE OF THESE DOCUMENTS. YOU MAY CONSULT AN ATTORNEY ABOUT THESE DOCUMENTS. YOU SHOULD CONSULT AN ATTORNEY IF YOU HAVE QUESTIONS OR CONCERNS ABOUT THE TRANSACTION OR ABOUT THE DOCUMENTS. IF YOU WISH TO REVIEW TRANSACTION DOCUMENTS THAT YOU HAVE NOT SEEN, PLEASE CONTACT THE ESCROW AGENT.
- J. Note: Effective January 1, 2008, Oregon law (ORS 314.258) mandates withholding of Oregon income taxes from sellers who do not continue to be Oregon residents or qualify for an exemption. Please contact your Escrow Closer for further information.
- K. Note: This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances or acreage shown thereon.

- L. NOTE: IMPORTANT INFORMATION REGARDING PROPERTY TAX PAYMENTS
- | | |
|--|--|
| Fiscal Year: | July 1 st through June 30 th |
| Taxes become a lien on real property, but are not yet payable: | July 1 st |
| Taxes become certified and payable (approximately on this date): | October 15 th |
| First one third payment of taxes is due: | November 15 th |
| Second one third payment of taxes is due: | February 15 th |
| Final payment of taxes is due: | May 15 th |

Discounts: If two thirds are paid by November 15th, a 2% discount will apply.
If the full amount of the taxes are paid by November 15th, a 3% discount will apply.

Interest: Interest accrues as of the 15th of each month based on any amount that is unpaid by the due date. No interest is charged if the minimum amount is paid according to the above mentioned payment schedule.

- M. Recording Charge (Per Document) is the following:
- | County | First Page | Each Additional Page |
|--------|------------|----------------------|
| Marion | \$86.00 | \$5.00 |
| Benton | \$108.00 | \$5.00 |
| Polk | \$91.00 | \$5.00 |
| Linn | \$105.00 | \$5.00 |

Note: When possible the company will record electronically. An additional charge may be applied.

Note: Please send any documents for recording to the following address:
Portland Title Group
Attn: Recorder
1455 W. Broadway, Suite 1450
Portland, OR. 97201

EXHIBIT ONE
2021 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (07-01-2021)
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 relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
- b. any governmental forfeiture, police, regulatory, or national security power.
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the 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 the Date of Policy (Exclusion 3.d. 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 consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser or encumbrancer had been given for the Insured Mortgage at the Date of Policy.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business law.
5. Invalidity or unenforceability of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or Consumer Protection Law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction creating the lien of the Insured Mortgage is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the Insured Mortgage is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any reason not stated in the Covered Risk 13.b
7. Any claim of a PACA-PSA Trust. Exclusion 7 does not modify or limit the coverage provided under Covered Risk 8.
8. Any lien on the Title for real estate taxes or assessments imposed by a governmental authority and created or attaching between the Date of Policy and the date of recording of the Insured Mortgage in the Public Records. Exclusion 8 does not modify or limit the coverage provided under Covered Risk 2.b. or 11.b.
9. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

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 Records; 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. Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, 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, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
5. Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

2021 AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (07-01-2021)
EXCLUSIONS FROM COVERAGE

The following matters are 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 relating to building and zoning) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection;
- b. any governmental forfeiture, police, regulatory, or national security power
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
- Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed or agreed to by the Insured Claimant;
 - b. not known to the Company, not recorded in the Public Records at the 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 the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
- e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer, or
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 9.b.
5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

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 Records; 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. Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, 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, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
5. Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

EXHIBIT ONE

2006 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (06-17-06)
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:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning) restricting, regulating, prohibiting or relating to
 - the occupancy, use, or enjoyment of the Land;
 - the character, dimensions or location of any improvement erected on the land;
 - the subdivision of land; or
 - 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.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters
 - created, suffered, assumed or agreed to by the Insured Claimant;
 - 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;

- resulting in no loss or damage to the Insured Claimant;
 - 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
 - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
- Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with the applicable doing-business laws of the state where the Land is situated.
 - 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.
 - 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 fraudulent conveyance or fraudulent transfer, or
 - a preferential transfer for any reason not stated in the Covered Risk 13(b) of this policy.
 - 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).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- 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; 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.
- Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
- Easements, or claims of easement, 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.
- 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. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
- Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.

2006 AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (06-17-06)
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:

- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning) restricting, regulating, prohibiting or relating to
 - the occupancy, use, or enjoyment of the Land;
 - the character, dimensions or location of any improvement erected on the land;
 - the subdivision of land; or
 - 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.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters
 - created, suffered, assumed or agreed to by the Insured Claimant;

- 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;
 - resulting in no loss or damage to the Insured Claimant;
 - 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
 - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- 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 fraudulent conveyance or fraudulent transfer, or
 - a preferential transfer for any reason not stated in the Covered Risk 9 of this policy.
 - 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 the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage.

SCHEDULE B - GENERAL EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

- 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; 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.
- Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
- Easements, or claims of easement, 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.
- 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. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
- Any lien for services, labor or material heretofore or hereafter furnished, or for contributions due to the State of Oregon for unemployment compensation or worker's compensation, imposed by law and not shown by the Public Records.



Fidelity National Title
Company of Oregon

PRELIMINARY REPORT

In response to the application for a policy of title insurance referenced herein Fidelity National Title Company of Oregon hereby reports that it is prepared to issue, or cause to be issued, as of the specified date, a policy or policies of title insurance describing the land and the estate or interest hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules or Conditions of said policy forms.

The printed Exceptions and Exclusions from the coverage of said policy or policies are set forth in Exhibit One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Fidelity National Title Insurance Company, a/an Florida corporation.

Please read the exceptions shown or referred to herein and the Exceptions and Exclusions set forth in Exhibit One of this report carefully. The Exceptions and Exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

This preliminary report is for the exclusive use of the parties to the contemplated transaction, and the Company does not have any liability to any third parties nor any liability until the full premium is paid and a policy is issued. Until all necessary documents are placed of record, the Company reserves the right to amend or supplement this preliminary report.

Countersigned

Randy Leeper

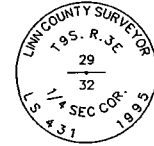
C.S. 27698

PARTITION PLAT NO. 2025-07

IN THE NE 1/4 OF SECTION 32, T.9S., R.3E., W.M.

LINN COUNTY, OREGON

DATE: DECEMBER 23, 2024

0' 150' 300'
SCALE: 1 INCH = 150 FEET3-1/4" ALUMINUM CAP
PER CORNER B.13, P.148

LEGEND

- FOUND MONUMENT WITHIN 0.20' OF SURFACE UNLESS OTHERWISE NOTED HELD UNLESS OTHERWISE NOTED
- SET 5/8"x30" IR WYPC MARKED "HOWELL LS 91569", FLUSH
- ⊗ MONUMENT REFERENCE
- [DATA#] RECORD DATA & REFERENCE
- C# CALCULATED PER REFERENCE
- IP IRON PIPE
- WYPC WITH YELLOW PLASTIC CAP
- C.R. COUNTY ROAD
- C.S. COUNTY SURVEY
- CONC. CONCRETE
- P.P. PARTITION PLAT
- TL TAX LOT
- INSTR. NO. INSTRUMENT NUMBER
- B., P. BOOK, PAGE

MONUMENT DESCRIPTIONS

- A IP 3-1/2" IN CONC. W/BOLT IN CENTER, NO RECORD
- B IR 5/8" SHOWN PER (4)
- C IP 3/4" IN CONC. (1)
- D IP 3/4" (2)
- E IP 3/4", HELD AS NORTH 16TH CORNER (1)
- F IP 3/4", BEARS 0.21' EAST OF LINE (2)
- G IP 3/4" WYPC "JC DOTY LS 1029" (5)
- H IP 3/4", DOWN 0.5' (1)
- I IP 3/4" (3)
- J IP 1/2", BEARS N13°39'32"E .087' FROM CORNER (1)
- K STONE WITH "+", SHOWN PER (1)

CURVE TABLE

CURVE #	LENGTH	RADIUS	DELTA	CH. BEARING	CH. LEN.
C1	531.08'	727.79'	41°48'33"	N60°53'51"W	519.37'
C2	39.99'	204.18'	11°13'14"	S30°40'42"E	39.92'
C3	445.95'	254.18'	100°31'26"	S13°58'25"W	390.92'
C4	168.70'	204.18'	47°20'20"	S01°23'55"E	163.94'
C5	145.49'	204.18'	40°49'33"	S42°41'02"W	142.43'
C6	323.72'	311.48'	59°32'48"	S44°16'18"W	309.34'
C7	257.36'	261.48'	56°23'34"	S45°50'55"W	247.10'

SURVEY REFERENCES

- (1) C.S. 9940
- (2) C.S. 11271
- (3) C.S. 13234
- (4) C.S. 17550
- (5) C.S. 18854
- (6) C.S. 21284

THIS IS AN EXACT COPY OF THE
ORIGINAL PARTITION PLAT.

STEVEN HOWELL

SURVEYED FOR: KELLER ASSOCIATES

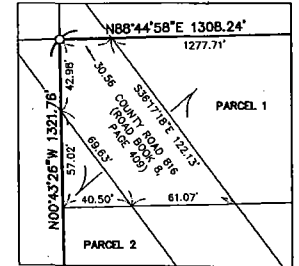
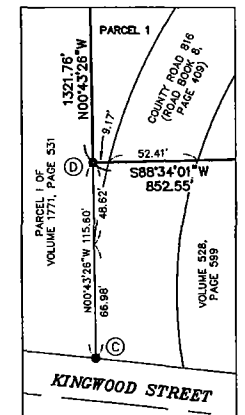


FFN SURVEYING

7230 3rd Street SE #145, Turner, OR 97392
P: (503) 558-3330 E: info@ffnsurveying.com

JOB NO. 23-452

SHEET 1/2

DETAIL 'B'
SCALE 1"=50'DETAIL 'A'
SCALE 1"=50'REGISTERED
PROFESSIONAL
LAND SURVEYOROREGON
SEPTEMBER 12, 2017
STEVEN LEE HOWELL
91569

RENEWALS: 6-30-2025

C.S. 27698
PARTITION PLAT NO. 2025-07
IN THE NE 1/4 OF SECTION 32, T.9S., R.3E., W.M.
LINN COUNTY, OREGON
DATE: DECEMBER 23, 2024

APPROVALS - PD24-0302

Donna J. Berning
DIRECTOR, LINN COUNTY PLANNING
Thomas J. Gray
LINN COUNTY SURVEYOR

3/17/25
DATE
3-24-2025
DATE

TAXES AND ASSESSMENTS ON THE PROPERTY DESCRIBED IN THE SURVEYOR'S CERTIFICATE, AS PROVIDED BY ORS 92.095, HAVE BEEN PAID IN FULL.

Ba Olan -DEPUTY
LINN COUNTY TAX COLLECTOR/ASSESSOR

3-21-2025
DATE

STATE OF OREGON } SS
COUNTY OF LINN }

I HEREBY CERTIFY THAT THE PARTITION PLAT WAS RECEIVED AND DULY RECORDED BY ME IN THE LINN COUNTY RECORD OF PARTITION PLATS AS PLAT NO. 2025-07, ON THIS 24TH DAY OF March, 2025, AT 11:00 O'CLOCK AM TARGET SHEET RECORDED IN DEED RECORDS DOCUMENT NO. 2025-3185.

BY: Sam Richey, DEPUTY CLERK
MARQUE RICHEY, LINN COUNTY CLERK

DECLARATION

KNOW ALL MEN BY THESE PRESENTS THAT DONNA J. BERNING, TRUSTEE OF THE LUCAS JOINT REVOCABLE LIVING TRUST, DATED NOVEMBER 5, 2019, AS TO AN UNDIVIDED 2/3 INTEREST, AND SCOTT J. BAUGHMAN AND SHELLY J. BAUGHMAN, AS TENANTS BY THE ENTIRETY AS TO AN UNDIVIDED 1/3 INTEREST, ARE THE OWNERS OF THE LAND DESCRIBED IN THE SURVEYOR'S CERTIFICATE HEREON, AND HAS CAUSED THIS PARTITION PLAT TO BE PREPARED AND THE LAND TO BE PARTITIONED INTO TWO PARCELS AS SHOWN, IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 92 OF THE OREGON REVISED STATUTES. WE HEREBY ACKNOWLEDGE THE PLAT NOTES AS NOTED HEREON.

Donna J. Berning
DONNA J. BERNING, TRUSTEE OF THE
LUCAS JOINT REVOCABLE LIVING TRUST
DATED NOVEMBER 5, 2019

Scott J. Baughman
SCOTT J. BAUGHMAN

Shelly J. Baughman
SHELLY J. BAUGHMAN

PLAT NOTES

- 1) PROPERTY IS SUBJECT TO AN EASEMENT RECORDED OCTOBER 27, 1959 IN VOLUME 268, PAGE 93, IN REGARD TO OBTAINING WATER FROM THE SANTIAM RIVER. SEE DOCUMENT FOR DETAILS.

ACKNOWLEDGEMENT

STATE OF OREGON } SS
COUNTY OF LINN }

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON March 14, 2025
BY DONNA J. BERNING, TRUSTEE OF THE LUCAS JOINT REVOCABLE LIVING TRUST, DATED NOVEMBER 5, 2019

David Channing Hansen, Jr.
NOTARY SIGNATURE
NOTARY PUBLIC - OREGON (PRINTED)

COMMISSION NO. 1021162
MY COMMISSION EXPIRES: January 30, 2026

ACKNOWLEDGEMENT

STATE OF OREGON } SS
COUNTY OF LINN }

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON March 14, 2025
BY SCOTT J. BAUGHMAN

David Channing Hansen, Jr.
NOTARY SIGNATURE
NOTARY PUBLIC - OREGON (PRINTED)

COMMISSION NO. 1021162
MY COMMISSION EXPIRES: January 30, 2026

ACKNOWLEDGEMENT

STATE OF OREGON } SS
COUNTY OF LINN }

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON March 14, 2025
BY SHELLY J. BAUGHMAN

David Channing Hansen, Jr.
NOTARY SIGNATURE
NOTARY PUBLIC - OREGON (PRINTED)

COMMISSION NO. 1021162
MY COMMISSION EXPIRES: January 30, 2026

NARRATIVE

THE PURPOSE OF THIS PLAT IS TO PARTITION INTO TWO PARCELS ALL THAT PROPERTY WITHIN SECTION 32 AS DESCRIBED IN INSTRUMENT NUMBER 2006-05928 AND INSTRUMENT NUMBER 2006-30508, LINN COUNTY RECORDS, EXCEPTING THEREFROM THAT PORTION DESCRIBED IN VOLUME 180, PAGE 427, LINN COUNTY RECORDS, PER LINN COUNTY PLANNING CASE NUMBER PD24-0302.

FOR MY BASIS OF BEARINGS, I HELD THE OREGON COORDINATE REFERENCE SYSTEM "SALEM" ZONE, NAD83(2011), EPOCH 2010.00, BETWEEN THE FOUND MONUMENT AT THE NORTHEAST CORNER OF SECTION 32 AND THE FOUND MONUMENT AT NORTH QUARTER CORNER OF SAID SECTION 32 AS SHOWN.

THE NORTH LINE OF SUBJECT PROPERTY, BEING ALSO THE NORTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, WAS RESOLVED BY HOLDING MONUMENT 'J' AND 208.76 FEET NORTH OF MONUMENT 'G' PER (3). THE WEST LINE OF SUBJECT PROPERTY, BEING ALSO THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, WAS RESOLVED BY HOLDING A LINE THROUGH MONUMENTS 'C', 'D' AND 'G' PER (1) AND (2). THE SOUTH LINE OF SUBJECT PROPERTY WAS RESOLVED BY HOLDING MONUMENTS 'B' AND 'D' PER (1). THE CENTERLINE OF THE RAILROAD GRADE WAS RESOLVED BY HOLDING THE CENTERLINE OF AN OLD RAILROAD BED AS DISCOVERED DURING A TOPOGRAPHIC SURVEY THROUGH SAID AREA. THE EAST LINE OF SUBJECT PROPERTY, BEING ALSO THE EAST LINE OF SECTION 32, WAS RESOLVED BY HOLDING MONUMENT 'J', 452.32 FEET EAST OF MONUMENT 'B' PER (4) AND MONUMENT 'A' PER (4).

PER ORS 92.055, RESULTING PARCELS ARE OVER 10 ACRES, THEREFORE, MONUMENTS WERE NOT SET AT ALL CORNERS. THE NORTHWEST CORNER OF SUBJECT PROPERTY WAS SET DUE TO THE FACT THAT THE ORIGINAL STONE WAS DESTROYED PRIOR TO OUR FIELD EFFORTS AND WE FELT IT WOULD BE A BENEFIT TO OTHERS RETRACING THIS LINE IN THE FUTURE.

SURVEYOR'S CERTIFICATE

I, STEVEN L. HOWELL, HEREBY CERTIFY THAT I HAVE SURVEYED AND MARKED WITH PROPER MONUMENTS THE LANDS REPRESENTED ON THE ATTACHED PARTITION PLAT, IN THE NORTHEAST ONE-QUARTER OF SECTION 32, TOWNSHIP 9 SOUTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, LINN COUNTY, OREGON, THE BOUNDARIES OF WHICH BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

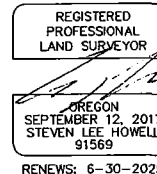
BEGINNING AT A FOUND STONE WITH A "+" AT THE SECTION CORNER COMMON TO SECTIONS 28, 29, 32 AND 33 OF SAID TOWNSHIP 9 SOUTH, RANGE 3 EAST; THENCE, ALONG THE WEST LINE OF SAID SECTION 33, SOUTH 00°34'34" EAST, 1317.64 FEET TO THE NORTH 1/16TH CORNER; THENCE, CONTINUING ALONG THE WEST LINE OF SAID SECTION 33, SOUTH 00°21'08" EAST, 263.92 FEET TO THE CENTERLINE OF A RAILROAD GRADE AND A POINT OF NON-TANGENT CURVATURE; THENCE, FOLLOWING THE CENTERLINE OF SAID RAILROAD GRADE, ALONG A 727.79 FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 41°48'33" (CHORD BEARS NORTH 60°53'51" WEST, 519.37 FEET) AN ARC DISTANCE OF 531.08 FEET TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 32 AND A POINT OF NON-TANGENT CURVATURE; THENCE, ALONG SAID SOUTH LINE, SOUTH 88°34'01" WEST, 852.57 FEET TO THE SOUTHWEST CORNER OF NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 32; THENCE, ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 32, NORTH 00°43'28" WEST, 1321.76 FEET TO THE SOUTH LINE OF SAID SECTION 29; THENCE, ALONG THE SOUTH LINE OF SAID SECTION 29, NORTH 88°44'58" EAST, 1308.24 FEET TO THE INITIAL POINT.

SUBJECT TO, THAT PORTION WITHIN COUNTY ROAD 816 AS DESCRIBED IN ROAD BOOK 8, PAGE 409, LINN COUNTY RECORDS.

CONTAINING 39.29 ACRES, MORE OR LESS.

THIS IS AN EXACT COPY OF THE
ORIGINAL PARTITION PLAT

STEVEN HOWELL



SURVEYED FOR: KELLER ASSOCIATES



FFN SURVEYING

7230 3rd Street SE #145, Turner, OR 97392
P: (503) 558-3330 E: info@ffnsurveying.com

JOB NO. 23-452

SHEET 2/2



KimberLee Chasteen, Sr. Escrow Officer
Fidelity National Title Company of Oregon
500 Liberty St. SE, Ste 200
Salem, OR 97301
Phone: (503)585-7219 Fax:

Date: April 22, 2025
Escrow No.: 60222500994-KC
Property: 09S03E32-00-00100
OR

Buyer hands you herewith collected funds pursuant to the closing statement approved by the undersigned buyer and:

- Balance of funds to close escrow in the form of a wire transfer or cashier's check payable to Fidelity National Title Company of Oregon pursuant to the "Deposit of Funds", Paragraph 1 contained in the General Provisions attached hereto and made a part hereof
- Approved copy of Preliminary Report
- Read and approved copy of the Statutory Warranty Deed as prepared and signed outside of this escrow transaction and deposited herein for recording.

Which you are to use and/or deliver provided you can deliver for the account of the undersigned the following:

- Properly executed Deed

describing the real property as set forth in that certain preliminary title report issued by Fidelity National Title Company of Oregon No. 60222500994, dated March 13, 2025, which preliminary title report the undersigned has read and does hereby approve;

AND when you can cause to be issued an **Owner's Standard** coverage form Policy of Title Insurance from **Fidelity National Title Insurance Company** with a liability of **One Million Six Hundred Thirty-Nine Thousand And No/100 Dollars (\$1,639,000.00)** insuring the undersigned that title to the above referenced property:

SHOWING TITLE VESTED IN

Marion County, a political subdivision of the State of Oregon

Subject to the usual printed exclusions and exceptions, current general and special taxes for the fiscal year in which this escrow closes, and taxes for the ensuing year, if any, a lien not yet due and payable, and exceptions numbered 1-5, 7, 8, 10, 19 of the above referenced title report, and further subject to any new encumbrance recorded at closing.

Seller hands you herewith the following:

- Deed from Donna J. Berning, Trustee of the Lucas Joint Revocable Living Trust, dated November 5, 2019, as to an undivided 2/3 interest and Scott J. Baughman and Shelly J. Baughman, as tenants by the entirety as to an undivided 1/3 interest to Marion County, a political subdivision of the State of Oregon, as prepared and signed outside of this escrow transaction and deposited herein for recording.
- 1099 Form
- Application of Title Insurance
- Approved copy of Preliminary Report
- Department of Revenue Documents

describing the real property as set forth in that certain preliminary title report issued by Fidelity National Title Company of Oregon No. 60222500994, dated March 13, 2025, which preliminary title report the undersigned has read and does hereby approve;

which you can use when you hold for the account of the undersigned Seller funds pursuant to the closing statement approved by the undersigned; and:

Prorate the following as of close of escrow/recording of deed:

- Real Property Taxes

ADDITIONAL INSTRUCTIONS

DEED PREPARED OUTSIDE OF ESCROW: The Deed shown hereinabove, was prepared outside of escrow and Escrow Holder was handed a fully executed/notarized deed for use in accordance with the instructions contained herein. Fidelity National Title Company of Oregon is not liable or responsible for the adequacy, effect, or correctness of said document prepared and signed outside escrow and deposited herein. Grantor's and Grantee's execution of said document shall evidence Grantor's full approval of the terms, conditions and form of said document.

"AS IS" CONDITION: The buyer herein is purchasing subject property in its present physical condition and without any other representation by seller, broker, real estate agent or Escrow Holder.

COUNTERPART SIGNATURES: These instructions/documents are executed in counterpart to facilitate this transaction each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and these counterparts together constitute one and the same instrument.

SALE ESCROW INSTRUCTIONS
(continued)

GENERAL INSTRUCTIONS

The General Provisions attached to these instructions are part of these instructions.
Upon request, you are instructed to furnish any broker or lender identified with this transaction or anyone acting on behalf of such lender, any information concerning this escrow, copies of all instructions, amendments or statements.
All terms and provisions of the agreement between the parties, amendments or addendums thereto, have been complied with to the satisfaction of the undersigned parties or will be complied with outside this escrow.
IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE INSTRUCTIONS OR THOSE ESCROW INSTRUCTIONS WHICH ARE ATTACHED HERETO THAT SUCH INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL OF THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY, AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.
IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

NET PROCEEDS due the undersigned at closing to be disbursed as indicated:
[] CALL when check is ready for pick-up, Phone No.
[] MAIL (complete forwarding mailing address)
[] OVERNIGHT DELIVERY (complete forwarding mailing address)
(The actual charge for this service may be deducted from the funds.)
[] WIRE funds as per 'Disbursement of Proceeds/Wire Transfer Instructions'
(Your bank may charge you for this service.)
[] TRANSFER funds in the amount of \$ to
REFUNDS after closing, if any:
[] DEPOSIT (attach voided check or deposit slip OR see bank information on 'Disbursement of Proceeds/Wire Transfer Instructions')
BUYER(S):
Marion County, a political subdivision of the State of Oregon
BY: Danielle Bethell
Chair
Date
Forwarding Address:
Phone:
Email:
Email for Title Insurance Policy, if applicable:

SALE ESCROW INSTRUCTIONS
(continued)

REFUNDS after closing, if any:
☐ DEPOSIT (attach voided check or deposit slip OR see bank information on 'Disbursement of Proceeds/Wire Transfer Instructions')

SELLER(S):

Lucas Joint Revocable Living Trust

BY: _____ Date _____
Donna J. Berning
Trustee

Forwarding Address:

Phone: _____
Email: _____

Email for Title Insurance Policy, if applicable: _____

Scott J. Baughman Date _____

Shelly J. Baughman Date _____

Forwarding Address:

Phone: _____
Email: _____

Email for Title Insurance Policy, if applicable: _____

RECEIVED BY:
Fidelity National Title Company of Oregon

By: _____ Date _____
KimberLee Chasteen, Sr. Escrow Officer

GENERAL PROVISIONS

1. DEPOSIT OF FUNDS

The law dealing with the disbursement of funds requires that all funds be available for withdrawal as a matter of right by the title entity's escrow and/or sub escrow account prior to disbursement of any funds. Only cash or wire transferred funds can be given immediate availability upon deposit. Cashier's checks may be available one business day after deposit. All other funds such as personal, corporate or partnership checks and drafts are subject to mandatory holding periods which may cause material delays in disbursement of funds in this escrow. In order to avoid delays, all fundings should be wire transfer. Outgoing wire transfers will not be authorized until confirmation of the respective incoming wire transfer or of availability of deposited checks.

All funds received in this escrow shall be deposited with other escrow funds in a general escrow account or accounts of Fidelity National Title Company of Oregon, with any state or national bank, and may be transferred to any other such general escrow account or accounts. Said funds will not earn interest unless the instructions otherwise specifically state that funds shall be deposited in an interest-bearing account.

Escrow Holder receives indirect benefits including but not limited to checks, deposit slips, data processing and account service and waiving of certain fees from the depository bank where its non-interest bearing client trust accounts are maintained. Escrow Holder or its affiliates may also elect to enter into other business transactions with or obtain loans for investment or other purposes from the depository institution. These benefits are passed on to the escrow principals through lower escrow fees. Pursuant to OAR 863-50-065, a good faith estimate of the value of the benefit is Twenty-Four and 12/100 Dollars (\$24.12) per escrow. By initialing below, we hereby acknowledge advisement of the disclosure.

NOTICE OF OPPORTUNITY. You have the opportunity to earn interest on your escrow funds by requesting Escrow Holder to set up an interest bearing account on your behalf. Escrow Agent will inform you of any fees it will charge to establish the account. Interest earned is dependent upon the amount of the deposit, the length of time of the deposit, and the prevailing interest rate.

All disbursements shall be made by check of Fidelity National Title Company of Oregon. The principals to this escrow are hereby notified that the funds deposited herein are insured only to the limit provided by the Federal Deposit Insurance Corporation. Any instruction for bank wire will provide reasonable time or notice for Escrow Holder's compliance with such instruction. Escrow Holder's sole duty and responsibility shall be to place said wire transfer instructions with its wiring bank upon confirmation of (1) satisfaction of conditions precedent or (2) document recordation at close of escrow. Escrow Holder will NOT be held responsible for lost interest due to wire delays caused by any bank or the Federal Reserve System, and recommends that all parties make themselves aware of banking regulations with regard to placement of wires.

In the event there is insufficient time to place a wire upon any such confirmation or the wires have closed for the day, the parties agree to provide written instructions for an alternative method of disbursement. **WITHOUT AN ALTERNATIVE DISBURSEMENT INSTRUCTION, FUNDS WILL BE HELD IN TRUST IN A NON-INTEREST BEARING ACCOUNT UNTIL THE NEXT OPPORTUNITY FOR WIRE PLACEMENT.**

If for any reason funds are retained or remain in escrow after closing date, Escrow Agent is authorized to deduct therefrom reasonable monthly charges as custodian thereof of one percent of the original balance but not less than Ten and No/100 Dollars (\$10.00) per month. Funds deposited into this escrow are to be maintained in a federally insured trust account and any escrow related services provided to Escrow Agent by any depository bank or savings and loan association are hereby consented to and approved.

Unless specifically instructed otherwise in writing, mail all funds and instruments deliverable to the parties in favor of them to their address indicated below. At your discretion, you are authorized to receive and/or disburse any funds in connection with this escrow by electronic (wire) transfer.

The undersigned hereby authorize and instruct Escrow Holder to charge each party to the escrow for their respective Federal Express, special mail handling/courier and/or incoming/outgoing wire transfer fees. Unless specified in writing by the undersigned, Escrow Holder is authorized to select special mail/delivery or courier service to be used.

2. PRORATIONS AND ADJUSTMENTS

Make each proration on the basis of the actual number of days in the year covered by said item, annualizing monthly amounts. Tax prorations shall be based on the amount of the latest available tax statement (which may include reductions based on any deferral or exemption); during periods in which the current years tax figures are not available, you shall prorate taxes or assessments upon the immediate preceding year's figures, any further adjustment in actual taxes shall be handled between the parties outside of this escrow and Escrow Agent shall have no liability for the collection or payment thereof. If the parties herein have provided Escrow Agent with a rent schedule on the subject property, you shall prorate rents and charge seller and credit buyer with any deposits paid in advance pursuant to the rent schedule approved by the parties. Seller represents that they will collect all rents which fall due prior to the close of escrow. Make no adjustment against buyer for uncollected rent. Buyer acknowledges that the assessor's office customarily mails tax notices for the July 1 to June 30 tax year in October of the tax year and that Escrow Agent cannot guarantee that the tax assessor's office will address the tax bill to Buyer. Buyer accepts responsibility for contacting the assessor's office and obtaining a tax bill in a timely manner. Buyer acknowledges that a discount applies only if taxes are paid in full on or before November 15 of the tax year and that interest and billing charges may accrue after November 15.

3. UTILITIES/POSSESSION

Transfer, payment and adjustment of utilities and possession of the premises are to be settled by the parties directly and outside escrow.

4. PREPARATION AND RECORDATION OF INSTRUMENTS

Escrow Holder is authorized to prepare, obtain, record and deliver the necessary instruments to carry out the terms and conditions of this escrow and to order the policy of title insurance to be issued at close of escrow as called for in these instructions. Close of escrow shall mean the date instruments are recorded.

5. AUTHORIZATION TO FURNISH COPIES

You are authorized to furnish copies of these instructions, supplements, amendments, notices of cancellation and closing statements, to the Real Estate Broker(s) and Lender(s) named in this escrow.

6. RIGHT OF CANCELLATION

Any principal instructing you to cancel this escrow shall file notice of cancellation in your office in writing. You shall, within two (2) working days thereafter, deliver, one copy of such notice to each of the other principals at the addresses stated in this escrow. If written objection is filed, you are authorized to institute an action in interpleader pursuant to provisions of paragraph number 9 contained herein.

7. PERSONAL PROPERTY

No examination, chattel or security interest search or insurance as to the amount or payment of personal property taxes is required unless specifically requested.

Bills of sale, if any required, are to be delivered unrecorded at the close of escrow. Escrow Agent shall have no responsibility or liability for the condition or delivery of any personal property being transferred herein.

By signing these General Provisions, the parties to the escrow hereby acknowledge that they are indemnifying the Escrow Holder against any and all matters relating to any "Bulk Sales" requirements, and instruct Escrow Holder to proceed with the closing of escrow without any consideration of matter of any nature whatsoever regarding "Bulk Sales" being handled through escrow.

8. RIGHT OF RESIGNATION

Escrow Holder has the right to resign upon ten (10) days written notice delivered to the principals herein. If such right is exercised, all funds and documents shall be returned to the party who deposited them and Escrow Holder shall have no liability hereunder.

9. ACTION IN INTERPLEADER

The principals hereto expressly agree that you, as Escrow Holder, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court, or with the attorney or law firm to initiate the interpleader action, all documents and funds held in this escrow. In the event such action is filed, the principals jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefor to be rendered by the court. Upon the filing of such action, you shall thereupon be fully released and discharged from all obligations imposed by the terms of this escrow or otherwise.

GENERAL PROVISIONS

(continued)

10. TERMINATION OF AGENCY OBLIGATION

These instructions shall be binding on the undersigned until the close of business thirty (30) days from date hereon and shall be performed within said period or thereafter until written demand by the undersigned is made upon you for the revocation hereof; provided however, that your agency as Escrow Holder will not extend beyond six (6) months from the date set forth herein. Any such written notices shall be effective upon receipt of such notice. This escrow may be terminated and all papers and monies returned to the parties only upon written instructions of both parties unless otherwise specified herein.

11. SETTLEMENT STATEMENTS

The parties hereto agree to pay all items as set forth on the approved Settlement Statements. It is understood that certain items therein may be estimated figures and are subject to adjustment.

12. POST CLOSING FILE PROCESSING

It is understood and agreed that the "Reconveyance Fee" specified on the Settlement Statement and on the Estimated Closing Statement is for payment of Trustee Fees, as well as reconveyance and post-closing file processing services.

13. COLLECTION OF FEES

Upon recordation and disbursement of documents and funds required herein, you are authorized to collect your fees earned as agreed to for your closing services. Parties agree to pay on demand, whether or not this escrow closes, any charges incurred by Escrow Holder on our behalf and its usual escrow fees and charges.

14. DELIVERY/RECEIPT

Delivery to principals as used in these instructions unless otherwise stated herein is to be by hand in person to the principal, regular mail, email or fax to any of the contact information provided in these instructions. If delivered by regular mail receipt is determined to be seventy-two (72) hours after such mailing. All documents, balances and statements due to the undersigned may be delivered to the contact information shown herein. All notices, change of instructions, communications and documents are to be delivered in writing to the office of Fidelity National Title Company of Oregon as set forth herein.

15. STATE/FEDERAL CODE NOTIFICATIONS

According to Federal Law, the Seller, when applicable, will be required to complete a sales activity report that will be utilized to generate a 1099 statement to the Internal Revenue Service.

The parties have satisfied themselves that the transaction covered by this escrow is not in violation of any planning or zoning law, and Escrow Agent is relieved of all liability in connection therewith, and is not concerned with the enforcement of said laws.

16. NON-RESIDENT ALIEN

The Foreign Investment in Real Property Tax Act (FIRPTA), Title 26 U.S.C., Section 1445, and the regulations thereunder, when applicable, provide in part that a transferee (buyer) of a U.S. real property interest from a foreign person must withhold a statutory percentage of the amount realized on the disposition, report the transaction and remit the withholding to the Internal Revenue Service (IRS) within twenty (20) days after the transfer.

The following limitations on the escrow responsibilities of Escrow Holder apply, except to the extent that Escrow Holder is instructed to act, agrees to act and acts as a Qualified Substitute under FIRPTA or is instructed to act, agrees to act and acts as a transmitter of IRS forms and a withholding payment.

Escrow Holder will not determine, and will not aid in the determination of, whether the FIRPTA withholding provisions are applicable to the subject transaction. Escrow Holder will not furnish tax advice to any party to the transaction. Escrow Holder will not determine, and will not aid in the determination of, whether the transaction will qualify for a FIRPTA exception or exemption. Escrow Holder will not be responsible for the filing of any tax form with the IRS related to FIRPTA, and will not be responsible for collecting and holding any documentation from the buyer or seller on the buyer's behalf for the purpose of supporting a claim of an exception or exemption. Escrow Holder is not an agent for the buyer for the purposes of receiving and analyzing any evidence or documentation that the seller in the subject transaction is a U.S. citizen or resident alien. Escrow Holder is not responsible for the payment of this tax and/or any penalty and/or interest incurred in connection with FIRPTA, and such taxes are not a matter covered by the Owner's Policy of Title Insurance to be issued to the buyer. Escrow Holder is not responsible for the completion of any IRS document or form related to FIRPTA. The buyer is advised that (a) the buyer must independently make a determination of whether the contemplated transaction is subject to the withholding requirement; (b) the buyer bears full responsibility for compliance with the withholding requirement if applicable and for payment of any FIRPTA-related tax, interest, penalty or other expense that may be due on the subject transaction; (c) the buyer is responsible for the completion of any and all FIRPTA-related forms, including but not limited to applicable IRS documentation, and for the mailing of those forms; and (d) any FIRPTA-related form, document or information received from Escrow Holder is not tax or legal advice, should not be construed as such and should not be treated as a complete representation of FIRPTA requirements. Buyer should seek outside counsel from a qualified individual to determine any and all implications of FIRPTA and its regulations. The buyer's signature below is the buyer's acknowledgment of receiving this notice.

17. ENCUMBRANCES

Escrow Holder is to act upon any statements furnished by a lienholder or his agent without liability or responsibility for the accuracy of such statements. Any adjustments necessary because of a discrepancy between the information furnished Escrow Holder and any amount later determined to be incorrect upon demand of Escrow Holder, parties responsible for payment will immediately pay the amount of any such deficiency.

If a reconveyance of the deed of trust is not recorded within sixty (60) days of its being paid off, you are requested to release the deed of trust pursuant to provisions of ORS 86.720.

18. ENVIRONMENTAL ISSUES

Fidelity National Title Company of Oregon has made no investigation concerning said property as to environmental/toxic waste issues. Any due diligence required or needed to determine environmental impact as to forms of toxification, if applicable, will be done directly and by principals outside of escrow. Fidelity National Title Company of Oregon is released of any responsibility and/or liability in connection therewith.

19. USURY

Escrow Holder is not to be concerned with any questions of usury in any loan or encumbrance involved in the processing of this escrow and is hereby released of any responsibility or liability therefore.

20. DISCLOSURE

Escrow Holder's knowledge of matters affecting the property, provided such facts do not prevent compliance with these instructions, does not create any liability or duty in addition to these instructions.

21. CLARIFICATION OF DUTIES

Fidelity National Title Company of Oregon serves ONLY as an Escrow Holder in connection with these instructions and cannot give legal advice to any party hereto.

Escrow Holder is not to be held accountable or liable for the sufficiency or correctness as to form, manner of execution, or validity of any instrument deposited in this escrow, nor as to the identity, authority or rights of any person executing the same. Escrow Holder's duties hereunder shall be limited to the proper handling of such money and the proper safekeeping of such instruments, or other documents received by Escrow Holder, and for the disposition of same in accordance with the written instructions accepted by Escrow Holder.

The agency and duties of Escrow Holder commence only upon receipt of copies of these Escrow Instructions executed by all parties.

22. LIMITED ENGLISH PROFICIENCY

Borrowers who are limited in English proficiency in need of an interpreter or assistance translating the loan documents from English to another language should contact their lender or the Settlement Agent at (503)585-7219 as soon as possible in order for arrangements to be made.

GENERAL PROVISIONS

(continued)

THIS AGREEMENT IN ALL PARTS APPLIES TO, INURES TO THE BENEFIT OF, AND BINDS ALL PARTIES HERETO, THEIR HEIRS, LEGATEES, DEVISEES, ADMINISTRATORS, EXECUTORS, SUCCESSORS AND ASSIGNS, AND WHENEVER THE CONTEXT SO REQUIRES THE MASCULINE GENDER INCLUDES THE FEMININE AND NEUTER, AND THE SINGULAR NUMBER INCLUDES THE PLURAL. THESE INSTRUCTIONS AND ANY OTHER AMENDMENTS MAY BE EXECUTED IN ANY NUMBER OF COUNTERPARTS, EACH OF WHICH SHALL BE CONSIDERED AS AN ORIGINAL AND BE EFFECTIVE AS SUCH.

MY SIGNATURE HERETO CONSTITUTES INSTRUCTION TO ESCROW HOLDER OF ALL TERMS AND CONDITIONS CONTAINED IN THIS AND ALL PRECEDING PAGES AND FURTHER SIGNIFIES THAT I HAVE READ AND UNDERSTAND THESE GENERAL PROVISIONS.

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE INSTRUCTIONS OR THOSE ESCROW INSTRUCTIONS WHICH ARE ATTACHED HERETO THAT SUCH INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL OF THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY, AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

END OF INSTRUCTIONS

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

BUYER(S):

Marion County, a political subdivision of the State of Oregon

BY: _____	_____
Danielle Bethell	Date
Chair	

SELLER(S):

Lucas Joint Revocable Living Trust

BY: _____	_____
Donna J. Berning	Date
Trustee	

_____	_____
Scott J. Baughman	Date

_____	_____
Shelly J. Baughman	Date

RECEIVED BY:

Fidelity National Title Company of Oregon

By: _____	_____
KimberLee Chasteen, Sr. Escrow Officer	Date