CHICAGO TITLE INSURANCE COMPANY

Policy No. WA2011-46-0115425-2012.72156-85706151

GUARANTEE

CHICAGO TITLE INSURANCE COMPANY, a Nebraska corporation, herein called the Company, guarantees the Assured against actual loss not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

- 1. No guarantee is given nor liability assumed with respect to the identity of any party named or referred to in Schedule A or with respect to the validity, legal effect or priority of any matter shown therein.
- 2. The Company's liability hereunder shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurance herein set forth, but in no event shall the Company's liability exceed the liability amount set forth in Schedule A.

PLEASE NOTE CAREFULLY THE LIABILITY EXCLUSIONS AND LIMITATIONS AND THE SPECIFIC ASSURANCES AFFORDED BY THIS GUARANTEE. IF YOU WISH ADDITIONAL LIABILITY, OR ASSURANCES OTHER THAN AS CONTAINED HEREIN, PLEASE CONTACT THE COMPANY FOR FURTHER INFORMATION AS TO THE AVAILABILITY AND COST.

Dated: 3/20/12

WA2011 0115425

AmeriTitle

503 North Pearl St

Ellensburg, WA 98926

Tel: (509) 925-1477

Fax: (509) 962-8325

Authorized Signatory

CHICAGO TITLE INSURANCE COMPANY

By

TEST

President

Secretary

Note: This endorsement shall not be valid or binding until countersigned by an authorized signatory.

Form No. 72156 (Reprinted 01/08)

APR 1 0 2012

Miscellaneous Guarantee Face Page For Use In Montana & Washington

Recid by E-mail

SUBDIVISION GUARANTEE

Office File Number

: 0115425

Guarantee Number

: WA2011-46-0115425-2012.72156-85706151

Dated

: March 20, 2012, at 8:00 a.m.

Liability Amount

: \$ 1,000.00

Premium

\$ 250.00

Tax

: \$ 20.00

Your Reference

: BACK COUNTRY RESOURCES LLC

Name of Assured:

BACK COUNTRY RESOURCES, LLC

The assurances referred to on the face page are:

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

Parcel E of that certain Survey recorded June 1, 2004, in Book 30 of Surveys, page 61, under Auditor's File No. 200406010081, records of Kittitas County, Washington; being a portion of Section 7, Township 19 North, Range 15 East, W.M., in the County of Kittitas, State of Washington.

Title to said real property is vested in:

BACK COUNTRY RESOURCES, LLC, A WASHINGTON LIMITED LIABILITY COMPANY

END OF SCHEDULE A

(SCHEDULE B)

File No. 0115425

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

EXCEPTIONS:

 General taxes and assessments for 2012, which become delinquent after April 30, 2012, if not paid in full.

Amount:

\$29.45

Tax No.:

19-15-07000-0028 (17838)

Note:

Tax payments can be mailed to the following address:

Kittitas County Treasurer

205 West 5th Avenue, Room 102

Ellensburg, WA 98926 Phone (509) 962-7535

 This property is currently classified under the Designated Forest Land Statute R.C.W. 84.33. Sale of this property without notice of compliance to County Assessor will cause a supplemental assessment, interest, and penalty to be assessed.

Note: If it is the intent of the buyer/transferee in this transaction to request a continuance of this classification, please contact the Kittitas County Assessor's Office at (509) 962-7501 for their requirements.

- Any unpaid assessments or charges, and liability to further assessments or charges, for which a lien
 may have arisen (or may arise); as imposed by Evergreen Park Homeowner's Association.
- 4. Any unpaid assessments or charges, and liability to further assessments or charges, for which a lien may have arisen (or may arise); as imposed by "Easement Owners Association" as disclosed by instrument recorded December 23, 2002 under Auditor's File No. 200212230026.
- Pendency of Yakima County Superior Court Cause No. 77-2-01484-5, State of Washington, Department of Ecology, Plaintiff, vs. James J. Acquavella, et al, Defendants; notice of which is given by Lis Pendens recorded on October 14, 1977, in Volume 90, page 589, under Kittitas County recording number 417302, and supplemental notice of Lis Pendens recorded June 4, 1980, in Volume 131, page 63, under Auditor's File No. 442263; being an action for the determination of the rights to divert, withdraw, or otherwise make use of the surface waters of the Yakima River Drainage Basin, in accordance with the provisions of Chapters 90.03 and 90.44 Revised Code of Washington. (Attorney for Plaintiff: Charles B. Roe, Jr., Senior Assistant Attorney General)
- 6. Reservations contained in deed.

Executed by

PCTC, INC., A Delaware Corporation (Formerly known as Plum Creek

Timber Company, Inc., and BN Timberlands, Inc.)

Recorded

June 30, 1989

Auditor's No.

521473

As Follows

Grantors reserves unto itself;

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(SPECIAL EXCEPTION NO. 6 CONTINUED)

- (A) All oil, gas and other hydrocarbons, regardless of gravity and whether produced in liquid or gaseous form (including, without limitation, all gas occurring in coal or lignite seams, beds or deposits, but except as occurring in coal or lignite seams beds or deposits when vented as a non-commercial substance in conjunction with coal or lignite development or extraction operations) and all substance necessarily produced in association with such oil, gas and other hydrocarbons, together with such substance, are collectively called "reserved oil and gas"), together with rights of ingress and egress for the purpose of drilling for, exploring for, producing, storing, treating, transporting and processing reserved oil and gas with the right to remove any and all property grantor places on the subject property, provided such rights of ingress and egress shall be subject to the provisions set forth below; and
- (B) All minerals, metals and ores of every kind and nature and whether surface or subsurface in, on or under the subject property except for reserved oil and gas and all sources of geothermal energy (such minerals and sources are called the "reserved minerals", and including without limitation and without regard to their intended use of current commercial value:
- (1) Coal, lignite, and peat (including gas occurring in coal or lignite seams, beds or deposits to the extent the same is vented as a non-commercial substance in conjunction with coal or lignite development or extraction operations);
- (2) Precious metals such as gold and silver and other metals such as copper, iron, lead and zinc;
- (3) Industrial minerals, including without limitation talc, calcium carbonate, mica and kaolin;
- (4) Fissionable source materials, including without limitation uranium, vanadium and thorium;
- Sand, clay, gravel, aggregate, granite, stone, rock, including without limitation decorative rock and rock of unique character; provided, grantee may use so much of the items described in this clause (5) as it reasonable requires in connection with its use and enjoyment of the subject property or with the construction, maintenance, and repair of roads serving the subject property, so long as the use of such items is incidental to such other uses and is not a primary use;
- (6) All other naturally occurring elements, compounds, and substances whether similar or dissimilar, metallic or non-metallic, in whatsoever form and whether occurring, found, extracted or removed in solid, liquids or gaseous state; and
- (7) All of the constituent products of all or any of the foregoing and all other substances necessarily produced in association therewith.

Together with rights of ingress and egress for the purpose of prospecting and exploring for reserved minerals by any means, and for the purpose of drilling, extracting, mining, developing, producing, treating and processing reserved minerals by all methods, (including without limitation mining by strip, auger, open pit, in-situ combustion, solution, and underground methods), and of erecting, operating, maintaining and working any mining, extraction, production, treatment or processing facility by all. Procedures, whether such means, methods, or procedures are now known or hereafter discovered, and of taking out, storing, stockpiling, removing transporting and marketing reserved minerals, together with the right to commingle reserved mineral or any other material produced from the subject property with minerals or any other material produced from any other property and to use the subject property for any of the aforesaid activities with respect to such minerals and material when related to like activities involving reserved minerals.

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(SPECIAL EXCEPTION NO. 6 CONTINUED)

We further note the following instruments with regard to said reservation:

- Conveyance of minerals reserved under deed to Plum Creek Timber Company, L.P. to Meridian Mineral Company by deed recorded June 30, 1989 in Volume 291, Page 805, under Auditor's File No. 521474;
- Conveyance of oil and gas reserved under deed to Plum Creek Timber Company, L.P. to Meridian Oil Inc. by deed recorded June 30, 1989 in Volume 291, Page 807, under Auditor's File No. 521475;
- Quit Claim Deed from Meridian Minerals Company to Plum Creek Timber Company, L.P., c) recorded January 15, 1993 in Volume 338, Page 1932, under Auditor's File No. 556252 which "does hereby release, remise and quitclaim, without any covenants of warranty whatsoever, unto Plum Creek Timber Company, L.P., a Delaware limited partnership, and to its successors and assigns, all of the rights, title and interest of the Grantor in and to the Reserved Minerals, as said Reserved Minerals and all rights and appurtenances thereto are defined and reserved to PCTC, Inc. in and under the "Deed to Plum Creek Timber Company, L.P." from PCTC, Inc. to Plum Creek Timber Company, L.P. executed on June 21, 1989, effective on June 8, 1989, recorded June 30, 1989, under Document No. 521473, records of Kittitas County, Washington, which Reserved Minerals and rights and appurtenances were subsequently conveyed by PCTC, Inc. to Grantor pursuant to that document entitled "Conveyance of Minerals Reserved under Deed to Plum Creek Timber Company, L.P." executed on June 21, 1989, effective June 8, 1989, recorded June 30, 1989 under Document No. 521474, records of Kittitas County, Washington." We further note by Warranty Deed recorded June 30, 1999 under Auditor's File No. 199906300046, the interest of Plum Creek Timber Company, L.P., a Delaware Limited Partnership, was conveyed to Plum Creek Land Company, a Delaware corporation.

Present ownership and other matters affecting said reservation not shown herein.

7. Terms and conditions of agreement

Recorded

: May 31, 1991

Auditor's File No

: 539737

Between

: PCTC, INC., A Delaware corporation (formerly known as Plum Creek Timber Company, INC., AND BN Timberlands, INC.)as grantors, Plum Creek Timber Company, L.P., as grantee, Meridian Minerals Company, a Montana Corporation, as reserved mineral owner and Meridian Oil, Inc., a Delaware Corporation, as reserved oil and gas owner.

 Easement, and the terms and conditions thereof, affecting a portion of said premises and for the purposes hereinafter stated, as conveyed by instrument recorded on December 27, 2000, under Kittitas County Auditor's File No. 200012270001.

In favor of

Plum Creek Timberlands, L.P., a Delaware limited partnership

For

Utilities, reconstruction, use and maintenance of existing roads

Affects

A strip of land sixty (60) feet in width, with such additional widths as may be necessary for needed cuts and fills, over and across a portion of the West Half of Section 7; Township 19 North, Range 15 East, W.M. and other land

9. Sixty (60) foot easements for ingress, egress, and utilities, lying thirty (30) feet on each side of the centerline as disclosed and/or delineated on that certain survey recorded December 9, 2002 in Book 28 of Surveys, Page 121, under Auditor's File No. 200212090004, affecting Section 7, Township 19 North, Range 15 East, W.M.

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Easement, and the terms and conditions thereof, affecting a portion of said premises and for the 10. purposes hereinafter stated, as conveyed by instrument recorded on December 13, 2002, under Kittitas County Auditor's File No. 200212130099.

In favor of

Thomas J. Chambers and Judy L. Chambers, husband and wife

For

Ingress, egress and utilities

Affects

A strip of land sixty (60) feet wide as delineated on that certain survey

recorded in Book 28 of Surveys, Page 121, affecting Section 7, Township 19

North, Range 15 East, W.M.

Said easement further provides in part as follows:

"Grantor, their heirs, successors and assigns reserves the right to relocate said easement at their sole expense and/or to improve the road over said easement (or relocated easement) to County standards and to dedicate said road to Kittitas County (provided that any such relocation and/or improvements do not materially impair the rights of the Grantee, their heirs and assigns, hereunder). Grantor, heirs, successors and assigns further reserves the right for future segregation of other properties served by said easement."

- Declaration of Covenants, Conditions, Restrictions and Easements, executed by Cle Elum's Sapphire 11. Skies, L.L.C., a Washington limited liability company,, recorded June 25, 2002, under Kittitas County Auditor's File No. 200212230026, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, affecting Section 7, Township 19 North, Range 15 East, W.M..
- Easement, and the terms and conditions thereof, affecting a portion of said premises and for the 12. purposes hereinafter stated, as conveyed by instrument recorded on December 31, 2002, under Kittitas County Auditor's File No. 200212310015.

In favor of

: Barton W. Hawkins and Susan R. Hawkins, husband and wife; and Michael J. Rowley and Joyce A. Rowley, husband and wife; and Norman J. Rowley and Judy B. Rowley, husband and wife

For

: Ingress, egress and utilities

Affects

: A strip of land sixty (60) feet wide as delineated on that certain survey recorded in

Book 28 of Surveys, Page 121, affecting Section 7, Township 19 North, Range 15

East, W.M.

Said easement further provides in part as follows:

"Grantor, their heirs, successors and assigns reserves the right to relocate said easement at their sole expense and/or to improve the road over said easement (or relocated easement) to County standards and to dedicate said road to Kittitas County (provided that any such relocation and/or improvements do not materially impair the rights of the Grantee, their heirs and assigns, hereunder). Grantor, heirs, successors and assigns further reserves the right for future segregation of other properties served by said easement."

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13. Easement, and the terms and conditions thereof, affecting a portion of said premises and for the purposes hereinafter stated, as granted by instrument recorded on June 30, 2004, under Kittitas County Auditor's File No. 200406300082.

In favor of

Barton W. Hawkins and Susan R. Hawkins, husband and wife; and Michael J.

Rowley and Joyce A. Rowley, husband and wife, and Norman J. Rowley and

Judy B. Rowley, husband and wife

For

Sixty (60) foot wide non-exclusive easement, running with the land for ingress,

egress and utilities

Affects

Survey, filed in Book 28 of Surveys, Page 121, and recorded December 9, 2002,

under Auditor's File No. 200212090004, records of Kittitas County, Washington

Said easement further provides in part as follows:

"Grantor, heirs, successors and assigns reserves the right to relocate said easement at their sole expense and/or to improve the road over said easement to County standards and to dedicate said road to Kittitas County (provided that any such relocation and/or improvements do not materially impair the rights of the Grantee, their heirs and assigns, hereunder), Grantor, heirs, successors and assigns further reserves the right for future segregation of other properties served by said easement."

14. DEED OF TRUST, Assignment of Rents, Security Agreement and Fixture Financing Statement and the terms and conditions thereof:

Grantor

: Back Country Resources, LLC, a Washington Limited Liability Company

Trustee

: AmeriTitle, Inc., an Oregon corporation

Beneficiary

: NorthMarq Capital, Inc., a Minnesota corporation

Amount Dated

: \$11,500,000.00 : December 23, 2005 : December 28, 2005

Recorded Auditor's File No.

: 200512280098

Affects

: Said Parcel E and other land

Assignment of said Deed of Trust;

Assignee

American Strategic Income Portfolio Inc.-II, a Minnesota

corporation

Dated

December 23, 2005

Recorded

May 19, 2006

Auditor's File No.

200605190011

200605190011

Modification of Deed of Trust recorded March 20, 2009, under Auditor's File No. 200903200070.

Modification of Deed of Trust recorded July 14, 2010, under Auditor's File No. 201007140045.

15. DEED OF TRUST, and the terms and conditions thereof:

Grantor

: Back Country Resources, LLC, a Washington Limited Liability Company

Trustee

: AmeriTitle, Inc., an Oregon corporation

Beneficiary

: GDW Capital Partners, LLC, a Washington Limited Liability Corporation

Amount

: \$3,200,000.00

: 200512280110

Dated Recorded

: December 23, 2005

Auditor's File No.

: December 28, 2005

Affects

: Said Parcel E and other land

File No. 0115425

Guarantee Number: WA2011-46-0115425-2012.72030-85706151

(SPECIAL EXCEPTION NO. 15 CONTINUED)

Modification of Deed of Trust recorded March 20, 2009, under Auditor's File No. 200903200072.

Subordination of said Deed of Trust is pursuant to the terms of the Replacement Intercreditor Agreement recorded March 20, 2009, under Kititas County Auditor's File No. 200903200082 and Amended and Restated Replacement Intercreditor Agreement recorded July 14, 2010, under Auditor's File No. 201007140057.

Second Modification of Deed of Trust recorded July 26, 2010, under Auditor's File No. 201007260009.

Declaration of Covenants, Conditions and Restrictions for Evergreen Park, recorded November 12, 2008, under Kittitas County Auditor's File No. 200811120053, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.

17. DEED OF TRUST, and the terms and conditions thereof:

Grantor : Highmark Resources, LLC, a Washington limited liability company

Trustee : AmeriTitle

Beneficiary : AGW LLC, an Idaho limited liability company

Amount : \$1,250,000.00, plus interest

Dated : March 20, 2009
Recorded : March 20, 2009
Auditor's File No. : 200903200071

Modification of Deed of Trust recorded July 22, 2010, under Auditor's File No. 201007220032.

18. DEED OF TRUST, and the terms and conditions thereof:

Grantor : Back Country Resources, LLC, a Washington limited liability company

Trustee : AmeriTitle, Inc.

Beneficiary : American Strategic Income Portfolio Inc.-II, a corporation

Amount : \$3,200,000.00, plus interest

Dated : March 20, 2009
Recorded : March 20, 2009
Auditor's File No. : 200903200070

Affects : Said premises and other land

Modification recorded July 14, 2010, under Auditor's File No. 201007140045.

19. Amended and Restated Replacement Intercreditor Agreement, and the terms and conditions thereof, executed by and between the parties herein named:

Between : American Strategic Income Portfolio Inc., - II, a Minnesota

corporation, AGW, LLC, an Idaho limited liability company, GDW Capital Partners, LLC, a Washington limited liability company, and Storm King, LLC, a Washington limited liability company

Dated : March 1, 2010
Recorded : July 14, 2010
Auditor's File No. : 201007140057

Amends and Restates Replacement Intercreditor Agreement recorded March 20, 2009, under Auditor's File No. 200903200082.

File No. 0115425

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20. Easement, and the terms and conditions thereof, affecting a portion of said premises and for the purposes hereinafter stated, as disclosed by instrument recorded on August 25, 2011, under Kittitas County Auditor's File No. 201108250015.

In favor of

: Kittitas County Parks and Recreation District #1

For

: Recreation Easement for Evergreen Snowpark

Affects

: A portion of said premises

END OF EXCEPTIONS

Notes:

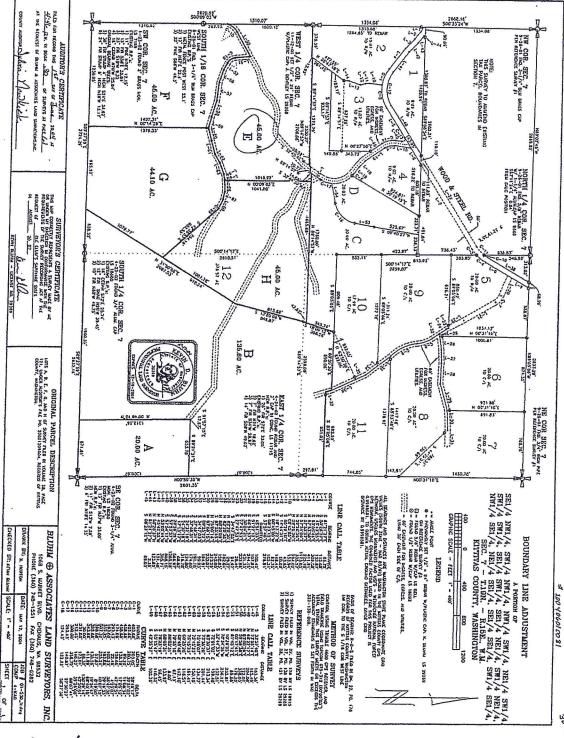
 Any map or sketch enclosed as an attachment herewith is furnished for information purposes only to assist in property location with reference to streets and other parcels. No representation is made as to accuracy and the company assumes no liability for any loss occurring by reason of reliance thereon.

NOTE: In the event any contracts, liens, mortgages, judgments, etc. which may be set forth herein are not paid off and released in full, prior to or immediately following the recording of the forthcoming plat (short plat), this Company will require any parties holding the beneficial interest in any such matters to join in on the platting and dedication provisions of the said plat (short plat) to guarantee the insurability of any lots or parcels created thereon. We are unwilling to assume the risk involved created by the possibility that any matters dedicated to the public, or the plat (short plat) in its entirety, could be rendered void by a foreclosure action of any such underlying matter if said beneficial party has not joined in on the plat (short plat).

END OF GUARANTEE

AW/Imw

1 cc: brooksideconsulting@gmail.com



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