

 <b>First American Title</b>	<b>Title Insurance Commitment</b>
	BY <b>First American Title Insurance Company</b>
<b>Commitment</b>	

**INFORMATION**

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

This Policy contains an arbitration clause. All arbitrable matters when the Matter of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or you as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org/>.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

**THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT. YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.**

If you have any questions about the Commitment, contact:  
**FIRST AMERICAN TITLE INSURANCE COMPANY**  
 1 First American Way; Santa Ana, CA 92707.

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**AGREEMENT TO ISSUE POLICY**

We agree to issue policy to you according to the terms of the Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the Policy.

Our obligation under this Commitment is limited by the following:

- The Provisions in Schedule A.
- The Requirements in Schedule B-I.
- The Exceptions in Schedule B-II.
- The Conditions on Page 2

This Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B.

**First American Title Insurance Company**

*Dennis J. Gilmore*

Dennis J. Gilmore  
President

*Timothy Kemp*

Timothy Kemp  
Secretary

(This Commitment is valid only when Schedules A and B are attached)

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**SCHEDULE A**

*Parcel 4*

Order Number: **29654**

1. Effective date: **August 14, 2012 at 8:00 am**

2. Policy or Policies to be issued:  
(a) A.L.T.A. Owner's

Amount of Insurance

Proposed Insured:  
TO BE DETERMINED

(b) A.L.T.A. Loan

Proposed Insured:

(c) Leasehold

Proposed Insured:

3. The estate or interest in the land described or referred to in this Commitment and covered herein is  
**Fee Simple**  
**Excepting from such estate or interest, any right, title or interest in and to any oil, gas, minerals and mineral rights, any oil and gas leases, together with any rights associated therewith for which no search and examination has been made of the public records.**

4. Title to the estate or interest in said land is at the effective date hereof vested in:  
FORTUNE I, LLC, A WASHINGTON LIMITED LIABILITY COMPANY

5. The land referred to in this Commitment is described as follows:  
**See Attached Copy of Legal Description**

Purported Address:

**STATEMENT OF CHARGES**

These charges are due and payable before a Policy can be issued.

**Owner's Policy Premium**

**\$ TO BE DETERMINED**

## EXHIBIT A

Order Number: 29654

### LEGAL DESCRIPTION

Township 26 South, Range 72 West of the 6th P.M.

Section 23: E1/2 of the S1/2  
Section 25: E1/2 of the NE1/4, SW1/4 of the NE1/4, SE1/4 of the NW1/4, SW1/4  
Section 26: N1/2 of the NW1/4, S1/2  
Section 27: E1/2 of the NE1/4, E1/2 of the SW1/4, SE1/4  
Section 33: SE1/4 of the SE1/4  
Section 34: E1/2, E1/2 of the NW1/4, E1/2 of the SW1/4, SW1/4 of the SW1/4  
Section 35: All

Township 27 South, Range 72 West of the 6th P.M.

Section 1: All  
Section 2: All, EXCEPT that part of the SW1/4 of the SW1/4 lying South of the northerly bank of Aspen Creek,  
Section 3: All, EXCEPT that part of the SE1/4 of the SE1/4 lying South of the northerly bank of Aspen Creek.  
Section 4: E1/2 of the NE1/4, SW1/4 of the NE1/4, SE1/4  
Section 8: E1/2 of the SE1/4  
Section 9: N1/2 of the NE1/4, SW1/4 of the NE1/4, SW1/4, W1/2 of the SE1/4  
Section 10: NW1/4 of the NW 1/4

ACCORDING TO THE RECORDS OF THE CLERK AND RECORDER FOR HUERFANO COUNTY,  
COLORADO

**SCHEDULE B**  
Section 1

Order Number: **29654**

**REQUIREMENTS**

The following are the requirements to be complied with:

Item (a) Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

Item (b) Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to wit:

1. RELEASE OF DEED OF TRUST FROM CATHRYN R. FORTUNE TO FORTUNE I, LLC, CONCERNING DEED OF TRUST RECORDED DECEMBER 3, 2002 AT RECEPTION NO. 356436
2. WARRANTY DEED FROM FORTUNE I, LLC, A WASHINGTON LIMITED LIABILITY COMPANY TO TO BE DETERMINED, TO BE INSURED.

**SCHEDULE B**

## Section 2

Order Number: 29654

**EXCEPTIONS**

1. The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company:
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 easements, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
5. Any lien or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
6. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof, but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this commitment.
7. (a)Unpatented mining claims; (b)reservations or exceptions in patents, or an act authorizing the issuance thereof; (c)water rights claims or title to water whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.
8. Any and all unpaid taxes, assessments, and unredeemed tax sales.
9. All roads, railroads, highways, alleys, rights of way, utilities and easements for ingress and egress therefore as shown on Huerfano County Road Map filed August 15, 1979.

**NOTE: To comply with the provisions of C.R.S. 10-11-123, the Company makes the following disclosure:**

- a. That there may be record evidence that a mineral estate has been severed, leased, or otherwise conveyed from the surface and that there is a substantial likelihood that a third party holds some or all interest in oil, gas, other minerals or geothermal energy in the property; and
- b. That such mineral estate may include the right to enter and use the property without the surface owner's permission.

**NOTE: Colorado Division of Insurance Regulation 3-5-1, Section 7, Paragraph G requires that every title insurance company shall be responsible to the proposed insured(s) subject to the terms and conditions of the title insurance commitment, other than the effective date of the title insurance commitment, for all matters which appear of record prior to the time of recorded whenever the title insurance company, or it agent, conducts the closing and settlement service that is in conjunction with its issuance of an owners policy of title insurance and is responsible for the recording and filing of legal documents resulting from the transaction which was closed.**

### DISCLOSURE STATEMENT

Pursuant to C.R.S. 30-10-406(3)(a) all documents received for recording or filing in the Clerk and Recorder's office shall contain a top margin of at least one inch and a left, right and bottom margin of at least one-half of an inch. The Clerk and Recorder will refuse to record or file any document that does not conform to the requirements of this section.

NOTE: If this transaction includes a sale of the property and the price exceeds \$100,000.00, the seller must comply with the disclosure/withholding provision of C.R.S. 39-22-604.5 (Non-residential withholding)

NOTE: Colorado Division of Insurance Regulations 3-5-1 requires that "Every title entity shall be responsible for all matters which appear of record prior to the time of records whenever the title entity conducts the closing and is responsible for recording or filing of legal documents resulting from the transaction which was closed." Provided that First American Title Insurance Company conducts the closing if the insured transaction and is responsible for recording the legal documents from the transaction, exception number 5 will not appear on the Owner's Title Policy and the Lenders Policy when issued.

Pursuant to C.R.S. 10-11-122, the company will not issue its policy or policies of title insurance contemplated by this commitment until it has been provided a Certificate of Taxes due or other equivalent documentation for the County Treasurer or the County Treasurer's authorized agent; or until the Proposed Insured has notified or instructed the company in writing to the contrary.

The subject property may be located in a special taxing district. A Certificate of Taxes due listing each taxing jurisdiction shall be obtained from the County Treasurer or the County Treasurer's authorized agent. Information regarding special districts and the boundaries of such districts may be obtained from the Board of County Commissioners, the County Clerk and Recorder or the County Assessor.

NOTE: Pursuant to CRS 10-11-123, notice is hereby given:

This notice applies to owner's policy commitments containing a mineral severance instrument exception, or exceptions, in Schedule B, Section 2.

- A. That there is recorded evidence that a mineral estate has been severed, leased, or otherwise conveyed from the surface estate and that there is a substantial likelihood that a third party holds some or all interest in oil, gas, other minerals, or geothermal energy in the property; and
- B. That such mineral estate may include the right to enter and use the property without the surface owner's permission.

NOTE: Pursuant to Colorado Division of Insurance Regulations 3-5-1, Affirmative mechanic's lien protection for the Owner may be available (typically by deletion of Exception no. 4 of Schedule B, Section 2 of the Commitment from the Owner's Policy to be issued) upon compliance with the following conditions:

- A. The land described in Schedule A of this commitment must be a single family residence which includes a condominium or townhouse unit.
- B. No labor or materials have been furnished by mechanics or material-men for purposes of construction on the land described in Schedule A of this Commitment within the past 6 months.
- C. The Company must receive an appropriate affidavit indemnifying the Company against un-filed mechanic's and material-men's liens.
- D. The Company must receive payment of the appropriate premium.
- E. If there has been construction, improvements or major repairs undertaken on the property to be purchased within six months prior to the Date of the Commitment, the requirements to obtain coverage for unrecorded liens will include: disclosure of certain construction information; financial information as to the seller, the builder and/or the contractor; payment of the appropriate premium, fully executed Indemnity Agreements satisfactory to the company, and, any additional requirements as may be necessary after an examination of the aforesaid information by the Company.

No coverage will be given under any circumstances for labor or material for which the insured has contracted for which the insured has contracted for or agreed to pay.

NOTE: Pursuant to C.R.S. 38-35-125(2) no person or entity that provides closing and settlement services for a real estate transaction shall disburse funds as a part of such services until those funds have been received and are available for immediate withdrawal as a matter of right.

NOTE: C.R.S. 39-14-102 requires that a real property transfer declaration accompany any conveyance document presented for recordation in the State of Colorado. Said declaration shall be completed and signed by either the grantor or grantee.

**NOTE: Pursuant to CRS 10-1-128(6)(a), It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the department of regulatory agencies.**

Nothing herein contained will be deemed to obligate the company to provide any of the coverages referred to herein unless the above conditions are fully satisfied.

DOTTER ABSTRACT COMPANY  
506 MAIN STREET  
WALSENBURG, CO 81089

## Privacy Policy Notice

### PURPOSE OF THIS NOTICE

Title V of Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Dotter Abstract Company.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated company that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

**WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.**

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**CONDITIONS****1. DEFINITIONS**

(a) "Mortgage" means mortgage, deed of trust or other security instrument. (b) "Public Records" means title records that give constructive notice of matters affecting your title according to the state statutes where your land is located.

**2. LATER DEFECTS**

The Exceptions in Schedule B – Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the public records or are created or attached between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B – Section I are met. We shall have no liability to you because of this amendment.

**3. EXISTING DEFECTS**

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

**4. LIMITATION OF OUR LIABILITY**

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

Comply with the Requirements shown in Schedule B – Section I

or

Eliminate with our written consent any Exceptions shown in Schedule B- Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

**5. CLAIMS MUST BE BASED ON THIS COMMITMENT**

Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this Commitment and is subject to its terms.



*First American Title*

ISSUED THROUGH THE OFFICE OF:



FIRST AMERICAN  
TITLE INSURANCE  
COMPANY

Corporate Office  
1 First American Way  
Santa Ana, CA 92707  
(800) 854-3643