

775 NE Evans Street McMinnville, OR 97128 Phn - (503)376-7363 Fax - (866)800-7294

Order No.: 1032-3323376 December 17, 2021

FOR QUESTIONS REGARDING YOUR CLOSING, PLEASE CONTACT:

KEELEY DRISCOLL, Escrow Officer/Closer

Phone: (503)538-7361 - Fax: (866)800-7290 - Email:kdriscoll@firstam.com First American Title Insurance Company 515 E Hancock, Newberg, OR 97132

FOR ALL QUESTIONS REGARDING THIS PRELIMINARY REPORT, PLEASE CONTACT:

Clayton Carter, Title Officer

Phone: (503)376-7363 - Fax: (866)800-7294 - Email: ctcarter@firstam.com

Supplemental Preliminary Title Report

County Tax Roll Situs Address: 0 E Portland Road, and 901 Brutscher Street E, Newberg, OR 97132

2006 ALTA Owners Standard Coverage	Liability \$	850,600.00	Premium	\$ 1,220.00 BR
2006 ALTA Owners Extended Coverage	Liability \$		Premium	\$
2006 ALTA Lenders Standard Coverage	Liability \$		Premium	\$
2006 ALTA Lenders Extended Coverage	Liability \$	TBD	Premium	\$ TBD
Endorsement 9.10, 22			Premium	\$ 100.00
Govt Service Charge			Cost	\$ 40.00
Other			Cost	\$

Proposed Insured Lender: Lender To Be Determined

Proposed Borrower: Escape Lodging Company LLC

We are prepared to issue Title Insurance Policy or Policies of First American Title Insurance Company, a Nebraska Corporation in the form and amount shown above, insuring title to the following described land:

The land referred to in this report is described in Exhibit A attached hereto.

and as of December 15, 2021 at 8:00 a.m., title to the fee simple estate is vested in:

Werth Family LLC, an Oregon limited liability company, as to Parcel I; and Werth Investment I, LLC, an Oregon limited liability company, as to Parcel II

Subject to the exceptions, exclusions, and stipulations which are ordinarily part of such Policy form and the following:

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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 (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.
- 5. Any lien, or right to 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.

The exceptions to coverage 1-5 inclusive as set forth above will remain on any subsequently issued Standard Coverage Title Insurance Policy.

In order to remove these exceptions to coverage in the issuance of an Extended Coverage Policy the following items are required to be furnished to the Company; additional exceptions to coverage may be added upon review of such information:

- A. Survey or alternative acceptable to the company
- B. Affidavit regarding possession
- C. Proof that there is no new construction or remodeling of any improvement located on the premises. In the event of new construction or remodeling the following is required:
 - i. Satisfactory evidence that no construction liens will be filed; or
 - ii. Adequate security to protect against actual or potential construction liens;
 - iii. Payment of additional premiums as required by the Industry Rate Filing approved by the Insurance Division of the State of Oregon
- 6. Water rights, claims to water or title to water, whether or not such rights are a matter of public record.
- 7. Potential taxes due to disqualification for Farm Land use, in the amount of \$9,730.81. (Affects Parcel I)
- 8. City liens, if any, of the City of Newberg.
 - Note: There are no liens as of September 25, 2019. All outstanding utility and user fees are not liens and therefore are excluded from coverage.
- 9. The rights of the public in and to that portion of the premises herein described lying within the limits of streets, roads and highways.

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10. Easement, including terms and provisions contained therein:

Recording Information: July 30, 1952, Book 166, Page 472, Deed Records

In Favor of: Portland General Electric Company, a corporation of Oregon, its

successors and assigns

For: Easement and/or right-of-way

11. Declaration of Restrictions and Easements Agreement, including terms and provisions thereof.

Recorded: August 22, 1991, Film 258, Page 1185, Deed and Mortgage

Records

(Affects Parcel II)

12. Mutual Roadway Development and Access and Sanitary Sewer Pipeline Easement Agreement

and the terms and conditions thereof:

Between: The Commercial Bank, an Oregon banking corporation And: Dean E. Werth, Elmer M. Werth, and The werth joint

venture, an Oregon general partnership

Recording Information: January 05, 1996, Instrument No. 199600254, Deed and

Mortgage Records

(Affects Parcel II)

13. Easement, including terms and provisions contained therein:

Recording Information: January 05, 1996, Instrument No. 199600255, Deed and

Mortgage Records

In Favor of: The City of Newberg, a municipal corporation

For: Sanitary Sewer Pipeline

Affects: Parcel II

14. Declaration of Partial Access Easement Subject to Conditions Agreement and the terms and

conditions thereof:

By: The Commercial Bank, an Oregon banking corporation

Recording Information: January 05, 1996, Instrument No. 199600256, Deed and

Mortgage Records

(Affects Parcel II)

15. Easement, including terms and provisions contained therein:

Recording Information: November , 1996, Instrument No. 199618265, Deed and

Mortgage Records

Granted to: City of Newberg, a municipal corporation

For: Utility
Affects: Parcel I

16. Easement Agreement and the terms and conditions thereof:

Between: Marion E. Wardin and Ila J. Wardin

And: Newberg Veterinary Clinic, an Oregon partnership

composed of Randall J. Matthiesen and Mark Weber and Randall J. Mattheisen and Marsha A. Matthiesen as to an undivided one-half interest, Dallas J. Hymans, as to an undivided one-fourth interest, and Betty J. Heckman, as

to an undivided one-fourth interest

Recording Information: November 05, 1996, Instrument No. 199618268, Deed

and Mortgage Records

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(Affects Parcel I)

17. Easement, including terms and provisions contained therein:

Recording Information: November 09, 2015, Instrument No. 201517653, Deed and

Mortgage Records

In Favor of: City of Newberg, a municipal corporation

For: Public Utilities Easement

Affects: Parcel II

- 18. Any conveyance or encumbrance by Werth Family LLC and Werth Investment I, LLC should be executed pursuant to their Operating Agreement , a copy of which should be submitted to this office for inspection.
- 19. Unrecorded leases or periodic tenancies, if any.
- 20. The legal description contained in this preliminary title report covers more property than is intended for the transaction. We will require a surveyor's legal description covering the specific property. A sale or conveyance of said parcel may be in violation of the partition statutes as set out under O.R.S. 92.010.92.190.

- END OF EXCEPTIONS -

NOTE: Supplemental to bring current; reflect 2021-22 taxes; release of TD 2015/17025

NOTE: According to the public record, the following deed(s) affecting the property herein described have been recorded within 24 months of the effective date of this report: NONE

NOTE: We find no matters of public record against Escape Lodging Company LLC that will take priority over any trust deed, mortgage or other security instrument given to purchase the subject real property as established by ORS 18.165.

NOTE: Any conveyance or encumbrance by Escape Lodging Company LLC should be executed pursuant to their Operating Agreement, a copy of which should be submitted to this office for inspection.

NOTE: Taxes for the year 2021-2022 PAID IN FULL
Tax Amount: \$11,933.33
Map No.: R3216 01900
Property ID: 29132
Tax Code No.: 29.0

(Affects Parcel I)

NOTE: Taxes for the year 2021-2022 PAID IN FULL
Tax Amount: \$68,237.11
Map No.: R3216 02002
Property ID: 483649
Tax Code No.: 29.0

(Affects Parcel II)

NOTE: The following reflect personal property taxes that affect some of the herein described property

NOTE: Taxes for the year 2021-2022 INACTIVE

 Tax Amount:
 \$

 Map No.:
 P0255

 Property ID:
 534982

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Tax Code No.: 29.0 (Affects Personal Property Parcel II)

NOTE: UNPAID Taxes for the year 2021-2022 Tax Amount: \$3,032.59 Map No.: P3574 Property ID: 388191 Tax Code No.: 29.0

(Affects Personal Property Parcel II)

NOTE: Taxes for the year 2018-2019 PAID IN FULL

Tax Amount: \$520.85 Map No.: R3216 02002 Property ID: 521617 Tax Code No.: 29.0 (Affects Personal Property Parcel II)

NOTE: Taxes for the year 2021-2022 PAID IN FULL

Tax Amount: \$348.02 Map No.: P13486 Property ID: 521620 Tax Code No.: 29.0 (Affects Personal Property Parcel II)

NOTE: Taxes for the year 2021-2022 PAID IN FULL

Tax Amount: \$2,313.55 Map No.: P3881 Property ID: 521632 Tax Code No.: 29.0 (Affects Personal Property Parcel II)

NOTE: UNPAID Taxes for the year 2021-2022 Tax Amount: \$314.65 Map No.: R3216 02002 Property ID: 533722 Tax Code No.: 29.0

(Affects Personal Property Parcel II)

NOTE: Taxes for the year 2021-2022 PAID IN FULL

Tax Amount: \$2,463.31 Map No.: P16703 Property ID: 558745 Tax Code No.: 29.0 (Affects Personal Property Parcel II)

NOTE: This Preliminary Title Report does not include a search for Financing Statements filed in the Office of the Secretary of State, or in a county other than the county wherein the premises are situated, and no liability is assumed if a Financing Statement is filed in the Office of the County Clerk covering Fixtures on the premises wherein the lands are described other than by metes and bounds or under the rectangular survey system or by recorded lot and block.

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Situs Address as disclosed on Yamhill County Tax Roll:

0 E Portland Road, and 901 Brutscher Street E, Newberg, OR 97132

THANK YOU FOR CHOOSING FIRST AMERICAN TITLE! WE KNOW YOU HAVE A CHOICE!

RECORDING INFORMATION

Filing Address: Yamhill County

777 Commercial Street SE, Suite 100

Salem, OR 97301

Recording Fees: \$81.00 for the first page

\$ **5.00** for each additional page

cc: Escape Lodging Company LLC

cc: Werth Family LLC

cc: Lender To Be Determined

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First American Title Insurance Company

SCHEDULE OF EXCLUSIONS FROM COVERAGE

ALTA LOAN POLICY (06/17/06)

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, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 (iii) the subdivision of land; or

 - (iv) 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
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) 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;
 - (c) 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);
 - (e) 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 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) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in 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).

ALTA OWNER'S POLICY (06/17/06)

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, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) 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
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) 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 Risks 9 and 10); or
- (e) 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 vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in 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.

SCHEDULE OF STANDARD EXCEPTIONS

- 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; 3. water rights, claims or title to water.
- Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.
- 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.

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Privacy Information

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

Information we receive from you on applications, forms and in other communications to us, whether in writing, in r

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means; Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.

In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.

FirstAm.com uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

Fair Information Values

Fairness We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer

Public Record We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

Use We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

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Accuracy We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer

Education We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

Security We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

Form 50-PRIVACY (9/1/10)

Privacy Information (2001-2010 First American Financial Corporation)

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Exhibit "A"

Real property in the County of Yamhill, State of Oregon, described as follows:

Parcel I:

A tract of land in Section 16, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon, described as follows:

Beginning at an iron rod in the West line of that certain tract of land described in deed to Newberg Veterinary Clinic recorded in Film Volume 152, Page 997, Yamhill County deed records that is South 02°34'57" West, 219.36 feet from the Northwest corner of said Clinic tract; thence South 87°21'16" East, 215.25 feet (passing an iron rod at 116.39 feet) to an iron rod in the East line of said Clinic tract; thence South 02°53'30" West, 319.96 feet to an iron rod at the Southeast corner of said Clinic tract; thence South 89°51' West 215.38 feet to an iron rod at the Southwest corner of said Clinic tract; thence North 02°34'57" East, 331.59 feet to the point of beginning Together with easement for ingress and egress, as reserved in deed recorded November 5, 1996 as Instrument No. 199618267, Deed and Mortgage Records.

Parcel II:

A parcel of property located in the Sebastian Brutscher Donation Land Claim No. 51, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon, described as follows:

Commencing at the Southeast corner of said Brutscher Donation Land Claim; thence North 00°50'10" East along the East line of said Donation Land Claim, a distance of 2536.79 feet to the Northeast corner of the South half of said Donation Land Claim; thence North 89°13'14" West along the North line of the South half of said Donation Land Claim, a distance of 4005.30 feet to a point on the East line of Lot 2 of Minor Partition No. 1990-61, Yamhill County Surveys and true point of beginning; thence South 04°03'33" West along said East line, a distance of 143.50 feet to a point on the West right-of-way line of Brutscher Street, being 30.00 feet from, when measured at right angles to the centerline of said Brutscher Street; thence South 20°39'45" East along said right-of-way line a distance of 10.86 feet to a point on a 365.00 foot radius curve to the right; thence continuing along the right-of-way line around said 365.00 foot radius curve to the right (the long chord of which bears South 10°49'52" East a distance of 124.64 feet) a distance of 125.26 feet; thence South 01°00'00" East along said right-of-way line a distance of 135.17 feet; thence South 89°00'00" West a distance of 52.13 feet; thence North 79°55'22" West a distance of 118.95 feet; thence North 22°55'22" West a distance of 46.29 feet to a point on the South line of the aforementioned Lot 2 of Minor Partition No. 1990-61; thence North 67°04'37" East along said South line a distance of 40.00 feet to the Southeast corner of Lot 1 of Minor Partition No.. 1991-81, Yamhill County Surveys; thence North 22°55'22" West along the East line of said Lot 1, a distance of 453.02 feet to an angle point; thence North 01°40'12" West continuing along the East line of said Lot 1, a distance of 26.82 feet to a point on the South line of a 44.00 foot private road easement as shown on Minor Partition No. 1991-81, Yamhill County Surveys; thence North 67°04'37" East along the South line of said private road easement and the Easterly extension thereof, a distance of 249.29 feet to a point on the East line of Brutscher Street; thence North 20°11'09" West along said East line of Brutscher Street a distance of 19.40 feet to a point on a 570.00 foot radius curve to the right; thence around said 570.00 foot radius curve to the right(the long chord of which bears North 19°29'34" West a distance of 13.79 feet) a distance of 13.79 feet to the Southwest corner of that parcel of property conveyed to Commercial Bank by document recorded as Fee No. 199600253, Yamhill County Deed Records; thence North 69°48'59" East along the South line of said Commercial Bank parcel a distance of 116.94 feet to the East line of aforementioned Lot 2 of Minor Partition No. 1990-61; thence South 04°03'33" West along said East line a distance of 280.67 feet to the true point of beginning.

Except the following described parcel:

A parcel of property in the Sebastian Brutscher Donation Land Claim in Section 16, Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon described as follows: Commencing at Preliminary Report Order No.: **1032-3323376**Page 10 of 11

the Northwest corner of said Brutscher Donation Land Claim; thence South 00°43'22" West along the West line of said Brutscher Donation Land Claim, 276.55 feet to the Northeast corner of the Everest Donation Land Claim; thence South 00°55'25" West, along said West line, 2749.19 feet; thence South 89°04'35" East, 46.42 feet to the East line of Springbrook Road as conveyed to the State of Oregon by deed recorded in Volume 23, at Page 400 of Yamhill County Records; thence South 89°04'35" East, 181.58 feet; thence South 22°55'23" East, 346.71 feet; thence North 67°04'37" East, 1087.74 feet; thence North 22°55'22" West, 453.02 feet; thence North 01°40'12" West, 26.82 feet; thence North 67°04'37" East, 189.22 feet to the true point of beginning; thence North 67°04'37" East, along the South edge of Brutscher Road, 60.07 feet; thence South 20°39'45" East 222.74 feet to the East line of Lot 2 as shown on that Minor Partition recorded as No. 1990-61 of Yamhill County records; thence South 04°03'33" West along said, East line 143.52 feet to a point which bears South 20°39'45" East from the true point of beginning; thence North 20°39'45" West 350.74 feet to the true point of beginning.

And except the following described parcel

A portion of that tract of land as described in Instrument No. 199919459, Yamhill County Deed Records, said property being located in the Sebastian Brutscher D.L.C. No. 51 and the Southwest one-quarter of Section 16, Township 3 South, Range 2 West, Willamette Meridian, City of Newberg, Yamhill County, Oregon, being more particularly described as follows:

Beginning at the most northerly corner of Parcel 1, Partition Plat 2004-24, Yamhill County Plat Records, thence along the northerly line of said Parcel 1, South 22°55'22" East a distance of 46.29 feet; thence South 79°55'22" East a distance of 32.00 feet to a point of non-tangential curvature, said point being the true point of beginning; thence leaving said northerly line, along the arc of a 60.00 foot radius curve to the right, an arc distance of 54.75 feet, through a central angle of 52°16'55" (the long chord of which bears North 62°51'32" East a distance of 52.87 feet) to a point of tangency; thence North 89°00'00" East a distance of 71.00 feet to a point of curvature; thence along the arc of a 19.00 foot radius curve to the left, an arc distance of 29.85 feet, through a central angle of 90°00'00" (the long chord of which bears North 44°00'00" East a distance of 26.87 feet) to the West right-of-way line of Brutscher Street, 30.00 feet Westerly of, when measured at right angles to, the centerline of said street; thence along said west right-of-way line South 01°00'00" East a distance of 59.00 feet to the most Easterly Northeast corner of said Parcel 1; thence along the North line of said Parcel 1, South 89°00'00" West a distance of 52.13 feet; thence continuing along said North line, North 79°55'22" West a distance of 86.95 feet to the true point of beginning.

NOTE: This legal description was created prior to January 1, 2008.

