

5841170

After Recording Return To:
Western Title & Escrow Company
497 Oakway Rd. Suite 340, Eugene, OR 97401

After recording return to:
Fidelity National Title Group
6840 Carothers Parkway, Suite 200
Franklin, TN 37067
1211176CTN

Until a change is requested, all tax statements shall
be sent to the following address:
O'Reilly Automotive Stores, Inc.
Attn: Property Management
P.O. Box 1156
Springfield, MO 65801

STATUTORY WARRANTY DEED

Citizens Bank, Grantor, conveys and warrants to O'Reilly Automotive Stores, Inc., a Missouri corporation, Grantee, the following described real property free of encumbrances except as specifically set forth herein:

SEE ATTACHED EXHIBIT "A"

Tax Lot No(s): 15 04 32 33 00800
15 04 32 33 00700
15 04 32 33 00600
15 04 32 33 01000

This property is free of encumbrances, EXCEPT:

SEE EXHIBIT "B" WITH EXCEPTIONS

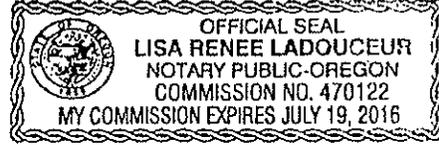
The true consideration for this conveyance is \$300,000.00

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, AND 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, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Dated 15th day of February, 2013

Citizens Bank

Steve Terjeson
BY Steve Terjeson
ITS EVP & CLO



STATE OF OREGON

COUNTY OF Benton

The foregoing instrument was acknowledged before me this 15th day of February, 2013 by Steve Terjeson as the EVP & CLO of Citizens Bank on its behalf.

[Signature]
Notary Public State of Oregon
My commission expires: July 19, 2016

Order No. 1211176CTN

Exhibit "A" Legal Description

Parcel I:

Lot 1 and the South one-half of Lot 2, Block 6, WASHBURNE AND MILLIORN'S 3RD ADDITION TO JUNCTION CITY, as platted and recorded in Book 4, Page 45, Lane County Oregon Plat Records, in Lane County, Oregon.

Parcel II:

The North one-half of Lot 2 and all of Lot 3, Block 6, WASHBURNE AND MILLIORN'S 3RD ADDITION TO JUNCTION CITY, as platted and recorded in Book 4, Page 45, Lane County Oregon Plat Records, in Lane County, Oregon.

Parcel III:

Lots 4 and 5, Block 6, WASHBURNE AND MILLIORN'S 3RD ADDITION TO JUNCTION CITY, as platted and recorded in Book 4, Page 45, Lane County Oregon Plat Records, in Lane County, Oregon.

Parcel IV:

Lots 9 and 10, Block 6, WASHBURNE AND MILLIORN'S 3RD ADDITION TO JUNCTION CITY, as platted and recorded in Book 4, Page 45, Lane County Oregon Plat Records, in Lane County, Oregon.

The above parcels also being described by metes and bounds as follows:

Beginning at the Southwest corner of Lot 10, Block 6, WASHBURNE AND MILLIORN'S 3RD ADDITION TO JUNCTION CITY, as platted and recorded in Book 4, Page 45, Lane County Oregon Plat Records; thence along the West line Lots 9 and 10, said Block 6 and the East right of way line of Juniper Street, North 01° 59' 09" West 100.00 feet to the Northwest corner of said Lot 9; thence along the North line of said Lot 9, North 88° 00' 00" East 100.00 feet to a point on a 20.00 foot alley; thence along the East lines of Lots 6, 7 and 8, said Block 6, and the West line of a 20.00 foot alley way, North 01° 59' 09" West 150.00 feet to a point on the South right of way line of West 5th Avenue; thence along the North line of said alley way and Lot 5, said Block 6, and the South right of way line of said West 5th Avenue, North 88° 00' 00" East 120.00 feet to a point on the West right of way line of Ivy Street (US Highway 99); thence along the East line of Lots 1, 2, 3, 4 and 5, said Block 6, and the West right of way line of said Ivy Street, South 01° 59' 09" East 250.00 feet to a point on the North right of way line of West 4th Avenue; thence along the South lines of said Lots 1, 10 and said alley way and the North right of way line of said West 4th Avenue, South 88° 00' 00" West 220.00 feet to the point of beginning.

EXCEPT all that portion of a 20.00 foot alley way as shown in Block 6, WASHBURNE AND MILLIORN'S 3RD ADDITION TO JUNCTION CITY, as platted and recorded in Book 4, Page 45, Lane County Oregon Plat Records, in Lane County, Oregon.

Exhibit "B" Permitted Exceptions

1. An easement created by instrument, including the terms and provisions thereof,
Recorded: December 6, 2002
Document No.: 2002-094815, Lane County Records
In favor of: State of Oregon, by and through its Department of Transportation
2. An easement created by instrument, including the terms and provisions thereof,
Recorded: December 6, 2002
Document No.: 2002-094817, Lane County Records
In favor of: State of Oregon, by and through its Department of Transportation
3. Existing leases and tenancies, if any.
4. Taxes for 2013 -2014, which are not yet due and payable, but a lien.



Western Title & Escrow Company of Lane County
497 Oakway Road, Suite 340
Eugene, OR 97401
Office Phone: **(541) 485-3588**
Office Fax: **(541) 485-3597**

CONTINGENCY TO FINAL POLICY

February 14, 2013

Fidelity National Title Insurance Group
Attention: Krystal Henegar
6840 Carothers Parkway, Suite 200
Franklin, TN 37067

Order Number: **58411**
Seller: **Citizens Bank**
Buyer: **O'Reilly Automotive Stores, Inc., a Missouri corporation**
Property: **420 Juniper Street**
Junction City, OR 97448

Enclosed you will find Proforma Policy No. **58411** prepared on **February 14, 2013**.

Delivery of the final policy as shown in the Proforma is, as of this date, conditioned upon the following:

- A. No new matters coming to the attention of the Company, as defined in the Proforma, whether disclosed by the public record or otherwise, which in the discretion of the Company should be excepted from coverage in the policy, including any documents which are to be recorded at the time of closing;
- B. Payment of the appropriate fees for the coverage required;
- C. Review and recording of duly authorized and properly executed:
 - 1. Conveyance of the Fee Title Estate to the vestee shown in the Proforma
 - 2. Mortgage/Deed of Trust encumbering the property described in the Proforma

NOTE: If the Mortgage/Deed of Trust to be insured is a construction loan, the following exception will be shown in the final title policy:

"Any liens, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.";

- D. Payment of/or adequate assurance that Exception Nos. **1-7 and 10-14** in the Preliminary Title Report, dated **2/8/2013** may be deleted;
- E. Proof that there are no parties in possession or claiming to be in possession other than the vestee herein and that there are no existing leases and tenancies;
- F. Proof that there are no statutory liens for labor or material, including liens for contributions due to the State of Oregon for unemployment compensation which have now gained or hereafter may gain priority over the lien of the insured mortgage, which liens do not now appear of record;

- G. No new matters disclosed by inspection of the subject property that in the discretion of the Company should be clarified by survey and/or excepted from coverage in the policy;
- H. No new matters disclosed by a survey of the subject property that in the discretion of the Company should be excepted from coverage in the policy.;
- I. Prior to closing, **Western Title & Escrow Company** is furnished with copies of resolutions, minutes of meetings, or any other documentation authorizing the contemplated transaction and requested in the Preliminary Title Report, and review of such documentation discloses no matters warranting additional exceptions to coverage; and
- J. **Western Title & Escrow Company** receives, at or before closing, a suitable indemnity on a form of it's own choosing regarding the matters excepted to in paragraphs one through five (1 through 5), inclusive, of Schedule B of the Preliminary Title Report.

We request that copies of the documents creating the estate or interest to be insured be provided to us in advance. Also, please be advised that the County Recorder has legibility and formatting requirements which may affect the acceptance of documents for recording as well as recording charges.

Please do not hesitate to call me at **541-431-3710** should you have any questions regarding this material.

Sincerely,
Western Title & Escrow Company



Jerrilyn Egger
Commercial Title Officer

PROFORMA POLICY



Fidelity National Title Insurance Company

POLICY NO.: N/A

OWNER'S POLICY OF TITLE INSURANCE

Issued by
Fidelity National Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - a) A defect in the Title caused by
 - i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - vii) a defective judicial or administrative proceeding.
 - b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - c) 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.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - a) the occupancy, use, or enjoyment of the Land;
 - b) the character, dimensions, or location of any improvement erected on the Land;
 - c) the subdivision of land; or
 - d) environmental protection
 - e) if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - i) to be timely, or
 - ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

Western Title & Escrow Company
Countersigned:

By: 68
Authorized Signatory

Fidelity National Title Insurance Company



By: Agnes N. P...
Vice President
 [Signature]
Secretary

SCHEDULE A

Policy No.: **PROFORMA**

Policy Jacket No: **PROFORMA**

Date of Policy: **Date and Time of Recording**

Amount of Insurance: **PROFORMA**

Premium: **PROFORMA**

1. Name of Insured:

O'Reilly Automotive Stores, Inc., a Missouri corporation

2. The estate or interest in the land which is covered by this policy is:

Fee Simple

3. Title to the estate or interest in the land is vested in:

O'Reilly Automotive Stores, Inc., a Missouri corporation

4. The land referred to in this policy is situated in the State of Oregon, County of Lane and is described as follows:

SEE ATTACHED EXHIBIT "A"

This is a Proforma Policy. It does not reflect the present state of the Title and is not a commitment to (i) insure the Title or (ii) issue any of the attached endorsements. Any such commitment must be an express written undertaking on appropriate forms of the Company.

PROFORMA POLICY

ALTA Owner's Policy
Policy Jacket No.: PROFORMA

SCHEDULE B

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. An easement created by instrument, including the terms and provisions thereof,
Recorded: December 6, 2002
Document No.: 2002-094815, Lane County Records
In favor of: State of Oregon, by and through its
Department of Transportation
2. An easement created by instrument, including the terms and provisions thereof,
Recorded: December 6, 2002
Document No.: 2002-094817, Lane County Records
In favor of: State of Oregon, by and through its
Department of Transportation
3. Taxes for the year 2013-2014, which are not yet due and payable, but a lien.

PROFORMA POLICY

ALTA Owner's Policy
Policy Jacket No.: PROFORMA

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PROFORMA POLICY



Fidelity National Title
Insurance Company

PRO-FORMA

**MODIFICATION OF ARBITRATION
ENDORSEMENT**

**ATTACHED TO POLICY NO. PROFORMA
ISSUED BY
FIDELITY NATIONAL TITLE INSURANCE COMPANY**

Effective Date: **Date and Time of Recording**
Order Reference: **58411**
Premium: **PROFORMA**

The arbitration provisions contained in Paragraph 14 in the Conditions and Stipulations of the policy are hereby modified as follows:

Said Paragraph 14 ("Arbitration") is eliminated.

This Endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Western Title & Escrow Company

By: 68
Validating Officer

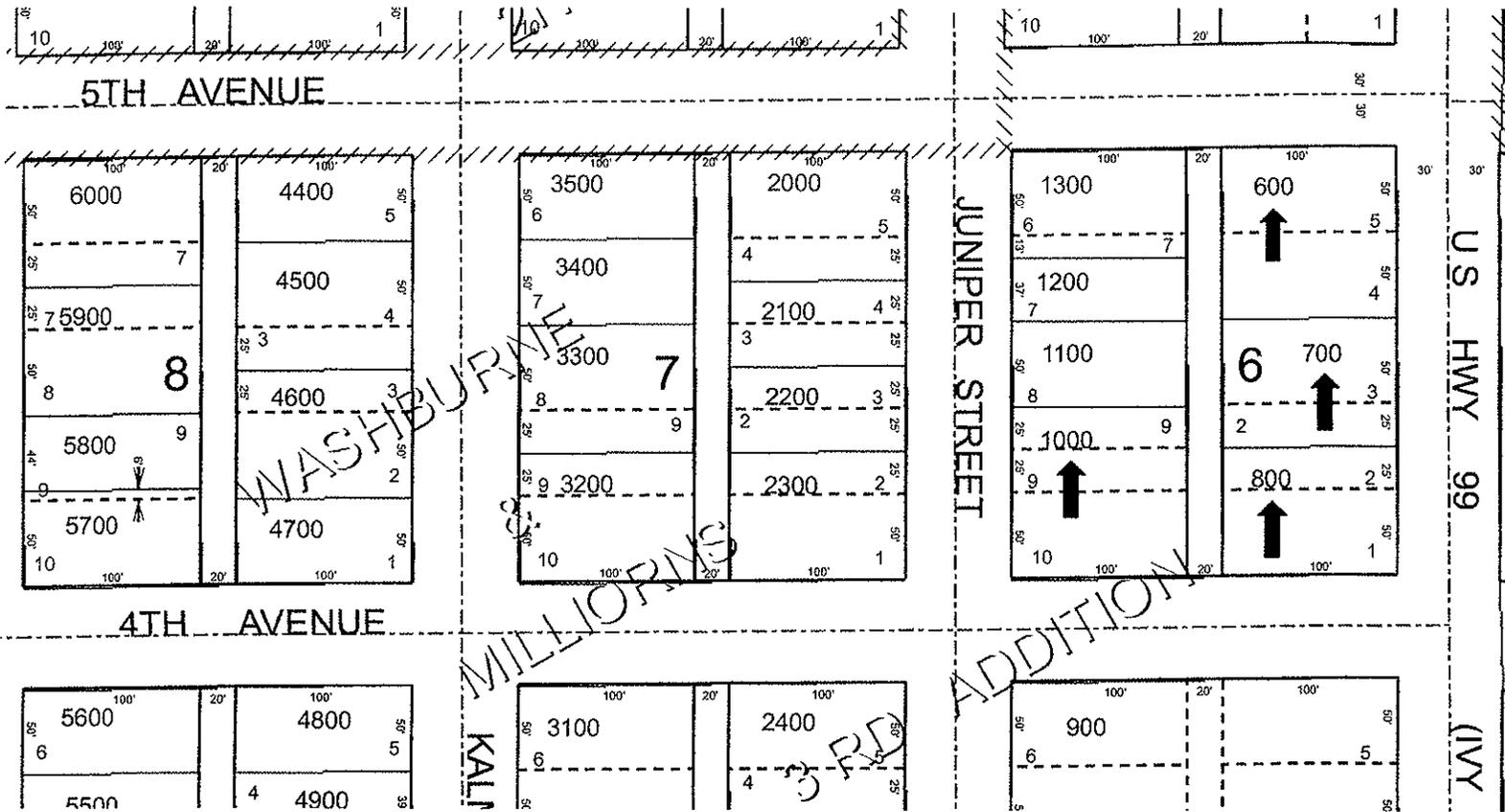
Fidelity National Title Insurance Company



By: [Signature]
ATTEST: [Signature]
President
Secretary

Western Title & Escrow

THIS TAX MAP IS FOR YOUR AID IN LOCATING YOUR LAND WITH REFERENCE TO STREETS AND OTHER PARCELS. WHILE THIS TAX MAP IS BELIEVED TO BE CORRECT THIS COMPANY ASSUMES NO LIABILITY FOR ANY LOSS BY REASON OF RELIANCE THEREON.



PROFORMA POLICY

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) 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.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. 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;
 - (d) 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
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any lien, 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.
5. 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.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 11 and 12 of these Conditions.

(b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.

(c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.

(d) "Insured": The Insured named in Schedule A.

(i) The term "Insured" also includes

(A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;

(B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;

(C) successors to an Insured by its conversion to another kind of Entity;

(D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title

(1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,

(2) if the grantee wholly owns the named Insured,

(3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or

(4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

(ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.

(e) "Insured Claimant": An Insured claiming loss or damage.

(f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.

(g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

(h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(j) "Title": The estate or interest described in Schedule A.

(k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against.

by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will also pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

(i) the Amount of Insurance; or

(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given the Company under this policy must be given to the Company at Fidelity National Title Insurance Company, Attn: Claims Department, P O Box 45023, Jacksonville, FL 32232-5023.