

Policy of Title Insurance



ISSUED BY

First American Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

First American Title Insurance Company

BY  PRESIDENT

ATTEST  SECRETARY



SCHEDULE A

Premium: \$52,320.00

Amount of Insurance: \$48,500,000.00

Policy Number: 2303-2191948

Date of Policy: November 1, 2006 3:05 p.m.

1. Name of insured:

The Conservation Fund, a Maryland non-profit corporation

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

A fee.

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

The Conservation Fund, a Maryland non-profit corporation

4. The land referred to in this policy is described as follows:

Real property in the unincorporated area of the County of Mendocino, State of California, described as follows:

TRACT A:

Tract One:

Township 16 North, Range 16 West, M.D.M.

Section 3 - All those portions of Lots 3, 4 and the S 1/2 Northwest 1/4 lying Easterly of the following described line:

Commencing at the quarter section corner on the North line of Section 3, Township 16 North, Range 16 West, M.D.M., proceed Southerly along the quarter section line 1,531 feet, more or less, to a point that lies East 14 feet, more or less, of a survey disc stamped LS 3117, driven in a redwood stump ten feet in diameter, said point on the quarter section line marking the true point of beginning for the line to which this conveyance applies:

Thence along the line to which this conveyance applies, proceed West 14 feet, more or less, to aforesaid survey disc in redwood stump ten feet in diameter, said point being called Reference Corner A1; thence North 47° 24' 40" West 212.90 feet; North 61° 08' West 393.33 feet to a point from which bears a survey disc stamped LS 3117 in a 14" redwood tree at South 46° 36' West

14.4 feet; thence North 44° 31' 50" West 253.00 feet; thence North 67° 28' 50" West 271.07 feet; thence North 66° 21' 40" West 183.50 feet to a point from which bears a survey disc stamped LS 3117 in a 12" redwood tree at North 17° 37' East 15.7 feet; thence North 60° 06' 10" West 235.69 feet; thence North 76° 48' West 304.06 feet; thence North 58° 02' 06" West 253.34 feet to a redwood tree three feet in diameter with survey disc stamped LS 3117, said tree being called Reference Corner A2 for reference hereinafter; thence North 32° 23' 20" West 725.85 feet to a redwood tree 2 1/2 feet in diameter and called Reference Corner A3 for reference hereinafter, said point also bearing North 83° 54' 14" East 587.58 feet from the Southwest corner of Section 34, Township 17 North, Range 16 West, M.D.M. and shown on Record of Survey filed in Case 2, Drawer 5, Page 10, Mendocino County Records.

APN: 125-040-21

Township 17 North, Range 15 West, M.D.M.

Section 19 - All that part of Lot 4 and the Southeast quarter of Southwest quarter lying Southerly of the North Bank of Big River.

Section 30 - Lots 2 and 3 and all of that portion described as follows:

Beginning at the South 1/16 corner common to Sections 30 and 29 in Township 17 North, Range 15 West, Mount Diablo Base and Meridian as established by Richard A. Seale L.S. 4455 on map filed in Map Case 2, Drawer 47, page 49, Mendocino County Records; thence North 88° 51' 03" West, 3,858.49 feet to a fence intersection with fence lines bearing South and West; thence along said Westerly bearing fence, South 89° 17' 51" West, 1,327.86 feet, more or less, to the Range line between Sections 25 and 30 of Township 17 North, Ranges 16 and 15 West, Mount Diablo Base and Meridian; thence Northerly along said Range line to the Northerly bank of Big River, thence up-stream along the left-hand bank of Big River as viewed looking up-stream to the stream's intersection with the section line common to said Sections 30 and 29; thence Southerly along said section line to the point of beginning.

APN: 21-370-65

Township 17 North, Range 16 West, M.D.M.

Section 1 - N 1/2 S 1/2; SE 1/4 SE 1/4; N 1/2 SW 1/4 SW 1/4;

Those portions of the Southeast 1/4 Southwest 1/4 and the Southwest 1/4 Southeast 1/4 which lies within a strip of land described as the "Three Chop Road", in Deed from Caspar Lumber Company to Union Lumber Company dated September 10, 1951 and recorded in Volume 298 at Page 466, Mendocino County Records.

Also all those portions of the South 1/2 of the Southwest 1/4 of the Southwest 1/4, the Southeast 1/4 of the Southwest 1/4 and the Southwest 1/4 of the Southeast 1/4 lying Northerly and Easterly of that certain real property described in Quitclaim Deed from Georgia-Pacific Corporation to Gordon McGuire and Mary McGuire, husband and wife dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at page 621, Mendocino County Records.

APN: 021-100-x81 and 021-100-x79

Section 2 - Lots 1, 2, 3 and 4; S 1/2 North 1/2; NE 1/4 SE 1/4;

All those portions of the West 1/2 of the Southeast 1/4 and the Northeast 1/4 of the Southwest 1/4 which lies within a strip of land described as Parcel "L" in Deed from Caspar Lumber Company to Union Lumber Company dated September 10, 1951 and recorded September 15, 1951 in Volume 298 at page 466, Mendocino County Records.

Also all those portions of the South 1/2 of the Southeast 1/4, the Northwest 1/4 of the Southeast 1/4, the Northeast 1/4 of the Southwest 1/4 and the West 1/2 of the Southwest 1/4 lying Northerly of that certain real property described in Quitclaim Deed from Georgia-Pacific Corporation to Gordon McGuire and Mary McGuire, husband and wife, dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at page 621, Mendocino County Records.

APN: 021-100-x81 and 021-100-x79

Section 3 - Lot 1; SE 1/4 NE 1/4; NE 1/4 SE 1/4;

All that portion of the SE 1/4 SE 1/4 which lies within a strip of land described as "Byrnes Camp Road" in Deed from Caspar Lumber Company to Union Lumber Company, dated September 10, 1951 and recorded September 15, 1951 in Volume 298 at Page 466, Mendocino County Records.

Also all that part of the SE 1/4 SE 1/4 lying Northerly and Westerly of that certain real property described in Quitclaim Deed from Georgia-Pacific Corporation to Gordon McGuire and Mary McGuire, husband and wife, dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at page 621, Mendocino County Records.

Excepting all that portion thereof lying within "California State Highway #20".

APN: 021-100-x81

Section 8 - SE 1/4; S 1/2 SW 1/4.

APN: 21-070-19

Section 9 - SW 1/4 SE 1/4; SW 1/4;

Those portions of the SE 1/4 SE 1/4, N 1/2 SE 1/4 and the SW 1/4 NE 1/4 lying Southerly and Westerly of the meander line particularly described in the Indenture between Caspar Lumber Company and the Mendocino Lumber Company dated January 31, 1921 and recorded February 7, 1921 in Book 164 of Deeds at Page 88, Records of Mendocino County.

APN: 021-070-20

Section 10 - All that portion of the E 1/2 NE 1/4 which lies within a strip of land described as "Byrnes Camp Road" in Deed from Caspar Lumber Company to Union Lumber Company, dated September 10, 1951 and recorded September 15, 1951 in Volume 298 at Page 466, Mendocino County Records.

Also all those portions of the NE 1/4 NE 1/4 and the E 1/2 SE 1/4 NE 1/4 lying Westerly and Southerly of that certain real property described in Quitclaim Deed from Georgia-Pacific

Corporation to Gordon McGuire and Mary McGuire, husband and wife, dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at page 621, Mendocino County Records.

Also all that portion of the S 1/2 S 1/2 lying Southerly of the meander line particularly described in the Indenture between Caspar Lumber Company and the Mendocino Lumber Company dated January 31, 1921 and recorded February 7, 1921 in Book 164 of Deeds at Page 88, Records of Mendocino County.

APN: 021-100-x81 and 021-110-x28

Section 11 - SW 1/4 SW 1/4;

APN: 021-100-x72 and 21-110-x28

All those portions of the S 1/2 NW 1/4 and the N 1/2 SW 1/4 which lies within a strip of land described as "Byrnes Camp Road" in deed from Caspar Lumber Company to Union Lumber Company, dated September 10, 1951 and recorded September 15, 1951 in Volume 298 at Page 466, Mendocino County Records.

APN: 021-100-x81

Also all that portion of the N 1/2 NE 1/4 which lies Northerly of California State Highway #20 and is within a strip of land designated Parcel "L" in deed from Caspar Lumber Company to Union Lumber Company dated September 10, 1951 and recorded September 15, 1951 in Volume 298, Official Records, Page 466, Mendocino County Records.

APN: 021-100-x79

Also all those portions of the S 1/2 NW 1/4, N 1/2 SW 1/4 and the SE 1/4 SW 1/4 lying Southerly and Westerly of that certain real property described in Quitclaim Deed from Georgia-Pacific Corporation to Gordon McGuire and Mary McGuire, husband and wife, dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at page 621, Mendocino County Records.

APN: 21-100-x72 and 21-110-x28

Also all that part of the S 1/2 SE 1/4 lying Southerly and Easterly of that certain real property described in Quitclaim Deed from Georgia-Pacific Corporation to Gordon McGuire and Mary McGuire, husband and wife, dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at Page 621, Mendocino County Records.

APN: 021-100-x81

Also all those portions of the SE 1/4 NE 1/4 and the NE 1/4 SE 1/4 lying Easterly of that certain real property described in Quitclaim Deed from Georgia-Pacific corporation to Gordon McGuire and Mary McGuire, husband and wife, dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at Page 621, Mendocino County Records.

APN: 021-100-x81

Section 12 - E 1/2 E 1/2; SW 1/4 SE 1/4;

APN: 021-100-x81

All those portions of the N 1/2 NW 1/4, SE 1/4 NW 1/4 and the NW 1/4 NE 1/4 which lies within a strip of land described as the "Three Chop Road" in deed from Caspar Lumber Company to Union Lumber Company dated September 10, 1951 and recorded in Volume 298, Official Records, Page 466, Mendocino County Records.

APN: 021-100-x79

Also all those portions of the W 1/2 NE 1/4, E 1/2 NW 1/4 and the NW 1/4 SE 1/4 lying Easterly and Southerly of that certain real property described in Quitclaim Deed from Georgia-Pacific Corporation to Gordon McGuire and Mary McGuire, husband and wife, dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at Page 621, Mendocino County Records.

Excepting that portion thereof lying within "California State Highway #20".

APN: 021-100-x81

Also all those portions of the SW 1/4 and the SW 1/4 NW 1/4 lying Southerly and Westerly of "California State Highway #20", as the same existed on June 9, 1965.

Excepting therefrom all that portion thereof as conveyed in Quitclaim Deed from Georgia-Pacific Corporation to Gordon McGuire and Mary McGuire, husband and wife, dated April 8, 1975 and recorded May 2, 1975 in Book 997 of Official Records at Page 621, Mendocino County Records.

APN: 021-100-x81

Section 13 - All that part lying Northerly of the survey meander line described in the deed between Caspar Lumber company and the Mendocino Lumber Company dated January 31, 1921 and recorded February 7, 1921 in Book 164 of Deeds at Page 88, Mendocino County Records and Westerly of the Easterly bank of Two Log Creek.

APN: 021-110-x28 and 29

Section 14 - N 1/2; SW 1/4;

APN: 021-110-x28

All that part of the SE 1/4 lying Northerly and Westerly of the Southerly and Easterly bank of Two Log Creek.

APN: 021-110-x28

Section 15 - S 1/2 NE 1/4; S 1/2; NW 1/4;

All that portion of the N 1/2 NE 1/4 lying Southerly of the meander line particularly described in the Indenture between Caspar Lumber Company and the Mendocino Lumber Company dated January 31, 1921 and recorded February 7, 1921 in Book 164 of Deeds at Page 88, Records of

Mendocino County.

APN: 021-110-x28

Section 16 - All.

APN: 021-080-16

Section 17 - N 1/2; SE 1/4.

APN: 021-080-x23

Section 18 - E 1/2 E 1/2 NE 1/4.

APN: 021-080-x23

Section 21 - All, except W 1/2 NW 1/4.

APN: 021-080-22

Section 22 - All.

APN: 021-110-x28

Section 23 - W 1/2;

That part of the E 1/2 lying Westerly of a line described as follows: Beginning at point of intersection of South line of the SE 1/4 SE 1/4 with the East bank of Big River; thence downstream along said bank in a Northerly and Westerly direction to the East bank of Two Log Creek; thence Northerly along the East bank of Two Log Creek to the North line of the NE 1/4 of said Section 23.

APN: 021-110-x28

Section 24 - That part of the NW 1/4 SW 1/4 lying Westerly of the Easterly bank of Big River.

APN: 21-110-x28

Section 25 - That portion described as follows:

Beginning at a point of the Range line common to Section 25 and 30 of Township 17 North, Ranges 16 and 15 West, Mount Diablo Base and Meridian, said point bears North 00° 22' 45" East, 6.09 feet from the South 1/16 corner common to said Sections 25 and 30 as established by Richard A. Seale L.S. 4455 on map filed in Map Case 2, Drawer 47, Page 49, Mendocino County Records; thence South 89° 17' 51" West, 11.36 feet along a redwood picket fence to an intersection with a redwood picket fence from the South; thence South 00° 06' 46" East, along said fence from the South to the crest of the main dividing ridge between Big River and Albion River drainages; thence Westerly along said ridge crest to the section line common to Sections 26 and 25, Township 17 North, Range 16 West, Mount Diablo Base and Meridian; thence Northerly along said section line to the North bank of Big River; thence Easterly and up-stream along said

North bank to the Range line common to said Sections 25 and 30; thence Southerly along said Range line to the point of beginning.

All that part of the N ½ N ½ lying South of the north bank of Big River.

APN: 021-120-x91

Section 26 - N 1/2 NW 1/4; NW 1/4 NE 1/4; Those portions of the S 1/2 NE 1/4, SE 1/4, S 1/2 NW 1/2 and the N 1/2 SW 1/4 lying Northerly of the crest of the main dividing ridge of Big River and Albion River drainages.

APN: 021-120-X91

Also that portion of the SW 1/4 SW 1/4 lying Southwesterly of a line described in deed recorded in Book 547 of Official Records at Page 131, and conveyed to Boise Cascade Corporation by deed recorded in Book 826 of Official Records at Page 553, Mendocino County Records, said line being more particularly described as follows: Beginning at a point on Section line between Sections 26 and 35, distant 15.26 chains more or less East of corner of Sections 26, 27, 34 and 35, Township 17 North, Range 16 West, Mount Diablo Meridian; thence North 58° 20' West, 3.17 chains North 42° 55' West, 3.05 chains; North 58° 20' West, 3.71 chains; North 62° 25' West, 4.00 chains; North 45° 39' West, 4.47 chains; North 62° 55' West, 1.85 chains to a point on Section line between Sections 26 and 27 distant 12.56 chains North of corner to Sections 26, 27, 34 and 35.

Also all that part of the NE 1/4 NE 1/4 lying Southerly of the North bank of Big River.

Sections 26, 27 and 35 - All that certain real property situated in the County of Mendocino, State of California, and being a portion of the Surprise Valley Ranch, Inc., as conveyed in Book 625 of Official Records at Page 482 and Book 679 of Official Records at Page 411, Mendocino County Records more particularly described as follows:

The Bearings used in this description are based upon that certain Record of Survey Map filed in Map Case 2, Drawer 14, Page 89, Mendocino County Records.

Beginning at a 3/4 inch steel rod on the Northerly boundary of said Surprise Valley Ranch, Inc., from which the Southeast corner of Section 25, Township 17 North, Range 16 West, bears South 75° 22' 55" East, 6,482.07 feet; thence along the said Northerly, Westerly and Southerly boundary, being also the watershed between Big River and Albion River, the following approximate courses and distances;

North 38° 56' 04" West, 233.29 feet; North 74° 58' 57" West, 192.04 feet; North 15° 24' 31" West, 159.40 feet; North 50° 14' 43" West, 128.22 feet; North 16° 25' 38" West, 284.99 feet; North 47° 09' 27" West, 1,507.40 feet; South 01° 36' 01" East, 258.28 feet; North 43° 02' 39" West, 256.81 feet; South 72° 37' 20" West, 257.69 feet; North 76° 31' 44" East, 298.34 feet; South 82° 06' 40" West, 192.73 feet; South 51° 27' 12" West, 412.52 feet; North 86° 03' 37" West, 288.40 feet; South 64° 41' 42" West, 147.94 feet; South 42° 19' 58" West, 316.44 feet; South 89° 03' 03" West, 137.91 feet; South 51° 01' 50" West, 183.88 feet; North 82° 11' 51" West, 320.28 feet; South 62° 14' 54" West, 98.87 feet; South 34° 41' 53" West, 207.44 feet; South 01° 36' 56" West, 157.98 feet; South 04° 37' 24" West 260.02 feet; South 00° 06' 42" West, 65.83 feet; South 16° 55' 56" East, 188.95 feet; South 01° 53' 37" East, 208.01 feet; South 30° 27' 50" East, 116.56 feet; South 12° 25' 15" East, 197.50 feet; South 60° 54' 09" East,

280.20 feet; South 43° 26' 52" East, 291.78 feet; South 60° 23' 50" East, 261.25 feet; South 56° 16' 14" East, 242.26 feet; South 40° 41' 03" East, 199.08 feet; South 56° 16' 14" East, 233.11 feet; South 35° 12' 27" East, 183.43 feet; South 61° 29' 32" East, 194.64 feet; South 48° 44' 21" East, 186.70 feet; South 52° 57' 06" East, 247.44 feet; South 51° 50' 23" East, 250.70 feet; South 46° 48' 05" East, 208.89 feet; South 10° 47' 16" East, 205.27 feet; South 08° 44' 07" East, 171.97 feet; South 08° 57' 36" West, 146.14 feet; South 03° 33' 19" East, 122.34 feet; South 08° 42' 05" East, 213.82 feet to a 3/4" steel rod; thence leaving said watershed, North 37° 22' 56" East, 1,423.41 feet; thence North 26° 53' 00" West, 416.83 feet; thence North 37° 52' 18" West, 83.66 feet; thence North 44° 52' 08" East, 1,855.52 feet to the point of beginning.

APN: 021-120-x92 and 021-120-x91

Section 27 - N 1/2; W 1/2 SE 1/4; SW 1/4;

All that part of the E 1/2 SE 1/4 lying Westerly of a line described as follows:

Beginning at a point on Section line between Sections 26 and 27, distant 12.56 chains North of corner to Sections 26, 27, 34 and 35, Township 17 North, Range 16 West, Mount Diablo Meridian; thence North 62° 55' West, 2.44 chains; North 06° 30' West, 3.00 chains; North 24° 30' West, 1.77 chains; North 04° 00' East, 3.16 chains; North 11° 00' West, 2.87 chains; North 06° 00' East, 1 chain; thence North 10° 30' East, 3.95 chains; thence North 07° 30' East, 2.40 chains; thence North 40° 30' East, 3.15 chains to a point on the line between Sections 26 and 27, 34.50 chains, more or less, North of corner Sections 26, 27, 34 and 35.

APN: 021-120-x91 and 021-120-x92

Section 28 - The E 1/2.

APN: 021-090-41

Section 33 - NW 1/4 NE 1/4; N 1/2 NW 1/4; SW 1/4 NW 1/4; E 1/2 NE 1/4, excepting therefrom that portion thereof described as follows:

From the one-quarter section corner on the East boundary of Section 33, Township 17 North, Range 16 West, Mount Diablo Meridian, which is also the point of beginning, proceed South 81° 35' West 405 feet along the quarter section line; thence North 06° 25' West 477 feet; thence North 02° 45' West 383 feet; thence North 07° 40' West 132 feet; thence North 05° West 266 feet; thence North 39° 25' West 111 feet; thence North 18° West 172 feet; thence North 18° 50' East 220 feet; thence North 11° 30' East 455 feet; thence North 18° 05' East 576 feet to the North boundary of said Section 33; thence North 88° 00' East along the North boundary of said Section 33 to the Northeast corner thereof; thence South 01° 00' 15" West 2,656.44 feet along the East boundary of said Section 33 to the point of beginning.

SW 1/4 NE 1/4 and SE 1/4 NW 1/4, excepting therefrom that portion thereof described as follows:

Beginning at the one-quarter section corner at the center of Section 33, Township 17 North, Range 16 West, Mount Diablo Meridian, proceed South 82° 12' 01" West 68.0 feet along the quarter section line to the center of the Comptche Road; thence along the center of said Comptche Road the following courses:

North 44° 24' East 265.0 feet; North 14° 13' East 195.0 feet; North 02° 20' West 199.0 feet; North 16° 22' East 142.0 feet; North 83° 55' East 193.0 feet; South 58° 50' East 195.0 feet; South 35° 16' East 196.0 feet; South 28° 03' East 200.0 feet; South 22° 30' East 187.0 feet to the quarter section line; thence South 82° 12' 01" West 843.19 feet along said quarter section line to the center of said Section 33 and the point of beginning.

APN: 021-090-20

Sections 34 and 35 - A parcel of real property in Sections 34 and 35, Township 17 North, Range 16 West, Mount Diablo Meridian, Mendocino County, California, described as follows:

All those portions of those certain parcels described in the deeds to Frank M. Tunzi and Nancy A. Tunzi, husband and wife, from Mary Tunzi recorded in Book 547 of Official Records at Page 131, and from Frank M. Tunzi recorded in Book 479 of Official Records at Page 71, Mendocino County Official Records, that lies Easterly of the following-described line:

Commencing at the quarter section corner on the North line of Section 3, Township 16 North, Range 16 West, Mount Diablo Meridian, proceed Southerly along the quarter section line 1,531 feet, more or less, to a point that lies East 14 feet, more or less, of a survey disc stamped LS 3117, driven in a redwood stump ten feet in diameter, said point on the quarter section line marking the true point of beginning for the line to which this conveyance applies: Thence along the line to which this conveyance applies proceed West 14 feet, more or less, to aforesaid survey disc in redwood stump ten feet in diameter, said point being called Reference Corner A1; thence North 47° 24' 40" West 212.90 feet; North 61° 08' West 393.33 feet to a point from which bears a survey disc stamped LS 3117 in a 14" redwood tree at South 46° 36' West 14.4 feet; thence North 44° 31' 50" West 253.00 feet; thence North 67° 28' 50" West 271.07 feet; thence North 66° 21' 40" West 183.50 feet to a point from which bears a survey disc stamped LS 3117 on a 12" redwood tree at North 17° 37' East 15.7 feet; thence North 60° 06' 10" West 235.69 feet; thence North 76° 48' West 304.06 feet; thence North 58° 02' 06" West 253.34 feet to a redwood tree 3 feet in diameter with survey disc stamped LS 3117, said tree being called Reference Corner A2 for reference hereinafter; thence North 32° 23' 20" West 725.85 feet to a redwood tree 2 ½ feet in diameter and called Reference Corner A3 for reference hereinafter, said point also bearing North 83° 54' 14" East 587.58 feet from the Southwest Corner of Section 34, Township 17 North, Range 16 West, Mount Diablo Meridian and shown on Record of Survey filed in Map Case 2, Drawer 5, Page 10, Mendocino County Records; thence continuing on the line to which this conveyance applies North 07° 55' 59" East 357.14 feet to a redwood tree 2 ½ feet in diameter; thence North 36° 46' 15" East 593.51 feet to a redwood tree 2 feet in diameter; thence North 13° 19' 42" West 121.89 feet to a redwood stump two feet in diameter; thence North 17° 55' 48" East 210.94 feet; thence North 15° 26' 18" West 292.22 feet; thence North 23° 02' 48" West 238.66 feet to a Douglas fir tree 20 inches in diameter; thence North 73° 39' 47" East 196.95 feet to a redwood tree 16 inches in diameter; thence North 46° 48' 43" East 92.81 feet across Coombs Gulch to a redwood tree 2 feet in diameter and called Reference Corner A4 for reference; thence North 01° 55' 29" West 319.77 feet to an 18 inch redwood tree; thence North 23° 54' 41" East 268.63 feet to a 3 ½ foot redwood tree; thence North 58° 17' 19" East 199.78 feet to a redwood double 12 and 16 inches diameter, and called Reference Corner A5 for reference hereinafter; thence North 70° 30' 38" East 262.71 feet to a 30 inch redwood tree; thence North 78° 25' 52" East 153.58 feet to a two-foot Douglas fir tree; thence North 62° 39' 42" East 138.86 feet to a two-foot Douglas fir tree; thence North 76° 32' 18" East 155.54 feet to a two foot redwood tree; thence North 54° 46' 12" East 319.85 feet to an 18 inch redwood tree; thence North 76° 28' 12" East 338.40 feet to an 18 inch redwood tree; thence North 67° 26' 40"

East 485.51 feet to a 16 inch redwood tree; thence North 62° 08' 10" East 219.97 feet to Reference Corner A6 for reference hereinafter; thence North 21° 05' West 325.83 feet across Laguna Creek to a rebar monument with brass disc stamped LS 3117; thence North 52° 08' 14" West 333.84 feet; thence North 57° 36' 34" West 307.55 feet to a two foot redwood tree; thence North 24° 21' 16" West 201.85 feet; thence North 16° 31' 08" West 204.66 feet; thence North 22° 25' 58" West 309.57 feet; thence North 00° 22' 07" East 91.70 feet; thence North 48° 13' 45" East 344.84 feet; thence North 34° 23' 15" East 140.80 feet; thence North 62° 05' 16" West 314.00 feet to a rebar monument with brass disc stamped LS 3117, located on the watershed ridge between Laguna Creek and Big River, thence in a general Northerly and Easterly direction along the divide of the watersheds of Laguna Creek and Tramway Gulch of Big River as described in the deed to Frank M. Tunzi, et ux recorded August 10, 1960 in Book 547 of Official Records at Page 131, Mendocino County Records to the Easterly terminus of course "North 65° 15' West, 215.9 feet" as described in said deed (Book 547, Page 131), thence South 11° 00' East, 2.87 chains; thence South 04° 00' West, 3.16 chains; thence South 24° 30' East, 1.77 chains; thence South 06° 30' East, 3.00 chains; thence South 62° 55' East, 2.44 chains to a point on Section line between Sections 26 and 27, distant 12.56 chains North of corner to Sections 26, 27, 34 and 35, Township 17 North, Range 16 West, Mount Diablo Base and Meridian.

APN: 021-120-x92

Excepting therefrom,

A parcel of real property in Sections 34 and 35, Township 17 North, Range 16 West, Mount Diablo Meridian, Mendocino County, California, described as follows:

Parcel No. 1, as designated on the Parcel Map filed June 14, 1974 in Map Case 2, Drawer 24, Page 30, Mendocino County Records.

Section 34 - All those portions of the NW 1/4 NE 1/4 and the N 1/2 NW 1/4 lying Northerly of the common boundary line described as follows:

Beginning at the Northwest corner of Section 34, Township 17 North, Range 16 West, Mount Diablo Meridian, proceed along the line to which this agreement applies South 88° 57' 29" East, 1,315.98 feet to a rebar monument with brass disc stamped LS 3117; thence South 26° 15' 23" East, 571.81 feet; thence South 63° 11' 13" East, 162.19 feet; thence South 65° 37' East, 190.41 feet; thence South 26° 32' 38" East, 267.88 feet; thence South 62° 05' 19" East, 150.54 feet to Reference Corner A7 marked by a rebar monument with brass disc stamped LS 3117, said Corner being on the watershed ridge between Laguna Creek and Big River.

APN: 021-120-x91

Township 18 North, Range 16 West, Mount Diablo Base and Meridian.

Section 34 - E 1/2 SE 1/4.

APN: 021-060-09

Section 35 - W 1/2 SW 1/4; SE 1/4 SW 1/4.

APN: 021-060-05

Tract Two:

A parcel of real property in Sections 34 and 35, Township 17 North, Range 16 West, Mount Diablo Meridian, Mendocino County, California, described as follows:

Parcel No. 1, as designated on the Parcel Map filed June 14, 1974 in Map Case 2, Drawer 24, Page 30, Mendocino County Records.

APN: 021-120-62

Tract Three:

All that certain real property situated in the County of Mendocino, State of California more particularly described as follows:

The Southwest quarter of Section 17; the East half of the Northeast quarter of the Southeast quarter; the Southeast quarter of the Southeast quarter of Section 18; the East half of Section 19; all of Section 20; the West half of the Northwest quarter of Section 21; the West half of Section 28; the North half of Section 29, all in Township 17 North, Range 16 West, Mount Diablo Base and Meridian, lying generally Northerly and Easterly of the following described line:

Commencing at the Southwest corner of the East half of the Northeast quarter of the Southeast quarter of Section 18 as shown on a map recorded in Map Case 2, Drawer 22, Page 97, Mendocino County Records; thence along the West line of said East half North 0°49'00" East (Record: North 0°46'46" East), 360.78 feet to the point of beginning of this description; thence leaving said West line and along the boundary as follows:

North 87°32'36" East, 37.66 feet; thence South 42°24'48" East, 88.52 feet; thence South 17°42'50" East, 81.30 feet; thence South 18°31'09" East, 129.62 feet; thence South 37°16'16" East, 160.01 feet; thence South 25°40'31" East, 219.51 feet; thence South 56°49'28" East, 85.86 feet; thence South 20°51'04" East, 72.40 feet; thence South 43°04'43" East, 130.62 feet; thence South 53°31'24" East, 42.57 feet; thence South 12°58'41" West, 85.06 feet; thence South 09°53'06" East, 143.51 feet; thence South 24°17'09" East, 83.73 feet; thence South 09°10'41" East, 132.47 feet; thence South 28°48'29" East, 78.00 feet; thence South 00°53'09" East, 125.27 feet; thence South 40°28'00" East, 220.56 feet; thence South 69°11'31" East, 105.32 feet; thence South 48°36'29" East, 119.85 feet; thence South 57°55'06" East, 257.63 feet; thence South 69°08'49" East, 52.90 feet; thence South 06°23'57" East, 28.07 feet; thence South 19°16'57" West, 257.25 feet; thence South 05°58'52" East, 235.93 feet; thence South 15°57'13" West, 88.85 feet; thence South 27°10'10" West, 166.99 feet; thence South 09°41'34" West, 127.50 feet; thence South 19°22'10" West, 33.71 feet; thence South 63°27'23" West, 149.93 feet; thence South 46°31'12" West, 567.20 feet; thence South 07°00'00" East, 153.98 feet; thence South 31°00'00" West, 165.79 feet; thence South 29°35'15" East, 344.28 feet; thence South 35°28'48" East, 290.74 feet; thence South 24°49'04" East, 31.96 feet; thence South 02°50'18" West, 110.89 feet; thence South 16°52'12" East, 188.59 feet; thence South 34°56'02" East, 208.33 feet; thence South 27°28'09" East, 79.43 feet to a point from which said Southwest corner of the East half of the Northeast quarter of the Southeast quarter bears North 13°37'03" West, 4399.34 feet; thence South 81°23'40" West, 120 feet, more or less, to the centerline of Big River; thence along the centerline of Big River generally Southeasterly, 9500 feet, more or less, to the East line of the West half of said Section 28 and end of this description.

Pursuant to BLA # B-13-02

APN: 021-080-21, 26 and 021-090-42

Tract Four:

All that certain real property situated in the County of Mendocino, State of California, more particularly described as follows:

The Northwest quarter and the South half of Section 29 and the North half of Section 32, Township 17 North, Range 16 West, Mount Diablo Base and Meridian lying within the following described line:

Beginning at the one-quarter corner common to Sections 32 and 33, Township 17 North, Range 16 West, Mount Diablo Base and Meridian as described on a Record of Survey filed in Map Case 2, Drawer 4, Page 65, Mendocino County Records; thence along the South line of the North half of said Section 32, North 79°20'39" West, 1778.27 feet; thence North 41°25'29" West, 433.86 feet; thence North 25°50'31" West, 96.22 feet; thence North 38°34'21" West, 244.23 feet; thence North 48°56'56" West, 171.39 feet; thence North 09°35'14" West, 697.70 feet; thence North 00°06'00" East, 175.55 feet; thence North 42°41'31" East, 165.46 feet; thence North 04°14'14" East, 60.08 feet; thence North 19°50'42" East, 100.60 feet; thence North 14°29'53" West, 66.02 feet; thence North 00°14'18" West, 79.71 feet; thence North 56°35'00" West, 47.52 feet; thence North 30°58'14" West, 168.84 feet; thence North 39°05'42" West, 118.78 feet; thence North 20°29'33" West, 279.03 feet; thence North 24°46'55" West, 103.62 feet; thence North 08°05'13" West, 92.41 feet; thence North 49°10'01" West, 40.09 feet; thence North 58°54'52" West, 60.97 feet; thence North 68°59'00" West, 390.46 feet; thence North 11°02'55" East, 423.33 feet; thence North 11°07'38" West, 122.54 feet; thence North 08°35'27" East, 96.24 feet; thence North 09°30'33" West, 33.09 feet; thence North 18°49'50" West, 100.98 feet; thence North 07°34'05" West, 74.18 feet; thence North 28°14'43" West, 116.83 feet; thence North 01°29'17" East, 310.37 feet; thence North 56°45'12" West, 153.12 feet; thence North 22°44'48" West, 270.15 feet; thence North 02°01'35" East, 173.40 feet; thence North 18°01'35" East, 41.57 feet; thence North 08°58'25" West, 80.77 feet; thence North 18°31'35" East, 223.84 feet; thence North 34°01'35" East, 76.01 feet; thence North 07°25'47" West, 56.24 feet; thence North 01°26'33" West, 77.70 feet; thence North 17°28'30" West, 94.44 feet; thence North 08°09'40" East, 135.43 feet; thence North 01°42'04" East, 125.84 feet; thence North 20°13'08" West, 49.96 feet; thence North 28°36'38" West, 18.81 feet; thence North 65°25'57" West, 188.41 feet; thence North 44°52'43" West, 215.42 feet; thence North 15°39'07" West, 145.20 feet; thence North 38°59'35" West, 40.13 feet; thence North 29°01'16" West, 80.48 feet; thence North 41°01'16" West, 162.00 feet; thence North 00°58'44" East, 373.86 feet; thence North 49°58'44" East, 174.13 feet; thence North 00°09'18" West, 107.92 feet; thence North 80°58'23" East, 62.55 feet; thence North 17°00'30" West, 6.94 feet; thence North 26°49'26" West, 36.85 feet; thence North 45°46'08" West, 27.43 feet; thence North 68°03'03" West, 123.18 feet; thence North 57°06'47" West, 201.49 feet; thence North 44°05'33" West, 153.93 feet to a point from which the Southwest corner of the East half of the Northeast quarter of the Southeast quarter of Section 18 as shown on a map recorded in Map Case 2, Drawer 22, Page 97, Mendocino County Records bears North 8°49'32" West, 7869.03 feet; thence Easterly, 1850 feet, more or less to the Northeast corner of the Southeast quarter of the Northwest quarter of said Section 29; thence along the West line of the Northeast quarter of said section Southerly, 1320 feet to the Southwest corner of said Northeast quarter; thence along the South line of said

Northeast quarter Easterly, 2640 feet to the West one-quarter corner of Section 28; thence along the West line of said Section 28 Southerly, 2640 feet to the Southwest corner of said Section 28; thence along the East line of said Section 32 Southerly to the point of beginning and the end of this description.

Pursuant to BLA #B 13-02

APN: 021-090-45

Tract Five:

All that certain real property situated in the County of Mendocino, State of California, more particularly described as follows:

The Southeast quarter of Section 19; the South half of Section 20; the West half of Section 28 and the North half of Section 29, all in Township 17 North, Range 16 West, Mount Diablo Base and Meridian lying within the following described line:

Commencing at the Southwest corner of the East half of the Northeast quarter of the Southeast quarter of Section 18 as shown on a map recorded in Map Case 2, Drawer 22, Page 97, Mendocino County Records; thence South 2°27'50" West, 4465.60 feet to the point of beginning of this description; thence North 81°23'40" East, 1120 feet, more or less, to the centerline of Big River; thence along the centerline of Big River generally Southeasterly, 9500 feet, more or less, to the East line of the West half of said Section 28; thence leaving said centerline and along said East line Southerly, 2000 feet, more or less, to the South one-quarter corner of Section 28; thence along the South line of said section Westerly 2640 feet, more or less, to the Southwest corner of said Section 28; thence along the West line of said section Northerly, 2640 feet to the West one-quarter corner of said section; thence along the South line of the Northeast quarter of Section 29 Westerly, 2640 feet to the Southwest corner of said Northeast quarter; thence along the West line of said Northeast quarter Northerly, 1320 feet to the Northeast corner of the Southeast quarter of the Northwest quarter of said section; thence Westerly, 1850 feet, more or less, to a point from which said Southwest corner of the East half of the Northeast quarter of the Southeast quarter of Section 18 bears North 8°49'32" West, 7869.03 feet; thence along the boundary as follows:

North 31°03'10" West, 275.71 feet; thence North 54°14'42" West, 67.26 feet; thence North 40°01'52" West, 170.55 feet; thence North 13°14'05" West, 313.32 feet; thence North 04°26'40" West, 222.00 feet; thence North 19°03'08" West, 422.84 feet; thence North 61°28'35" West, 259.23 feet; thence North 11°28'35" West, 54.37 feet; thence South 58°31'25" West, 136.93 feet; thence North 63°15'14" West, 223.25 feet; thence North 76°15'14" West, 68.68 feet; thence North 58°15'14" West, 140.57 feet; thence North 59°15'14" West, 190.65 feet; thence North 10°15'14" West, 160.06 feet; thence North 32°37'31" West, 30.22 feet; thence North 51°45'08" West, 74.94 feet; thence North 44°00'06" West, 261.61 feet; thence North 05°11'42" West, 152.27 feet; thence North 14°56'03" West, 191.69 feet; thence North 16°47'51" East, 222.08 feet; thence North 36°51'38" East, 231.77 feet; thence North 24°13'11" East, 130.86 feet; thence North 22°25'00" East, 342.63 feet to the point of beginning and the end of this description.

Pursuant to BLA #B 13-02.

APN: 021-080-27 and 021-090-43, 44

TRACT B:

Tract One:

The Southeast quarter of the Northeast quarter, the Southwest quarter of the Northeast quarter, the Northeast quarter of the Southeast quarter; the Northwest quarter of the Southeast quarter; the Northwest quarter of the Southwest quarter; the South half of the Northwest quarter and Lots 1, 2, 3 and 4, all in Section 1, Township 15 North, Range 17 West, Mount Diablo Base and Meridian.

EXCEPTING THEREFROM the South one-half of the Northeast one-quarter of the Southeast one-quarter of said Section 1.

TOGETHER WITH the following described parcels:

1) All that portion of the Northwest one-quarter of the Southeast one-quarter and that portion of the South half of the Northeast one-quarter, southerly of Salmon Creek, and that portion of the Northeast one-quarter of the Southeast one-quarter of Section 2, Township 15 North, Range 17 West, Mount Diablo Base and Meridian in Mendocino County, California being described as follows:

Beginning at the center one-quarter section corner of said Section 2 as per Parcel Map filed in Map Case 2, Drawer 25, Page 48, Mendocino County Records; thence North 00° 29'28" East, 1,000 feet more or less along the North-South centerline of said Section 2, to the centerline of Salmon Creek; thence upstream and Easterly along said Salmon Creek to the section line common to Sections 1 and 2 of hereinbefore mentioned township and range; thence South 00° 19' 30" West, 1,800 feet, more or less, along said section line to the South 1/16 corner common to said Sections 1 and 2; thence North 33° 15' 53" West, 551.63 feet to a 3/4" rebar tagged L.S. 5121 per Record of Survey filed in Map Case 2, Drawer 44, Page 39, Mendocino County Records; thence North 87° 53' 47" West, 153.33 feet to a 3/4" rebar tagged L.S. 5121 per said Record of Survey; thence South 00° 29' 43" West, 450.00 feet to a 3/4" rebar tagged L.S. 3709 at the Southwest corner of Parcel 3 as shown on hereinbefore mentioned Parcel Map; thence North 87° 53' 47" West, 968.60 feet to a 3/4" rebar tagged L.S. 3709 at the Southeast corner of Parcel 2 per said Parcel Map; thence North 00° 29'43" East, 1,313.69 feet to a 3/4" rebar tagged L.S. 3709 at the Northeast corner of said Parcel 2; thence North 87° 47' 34" West, 904.00 feet along the East-West centerline of said Section 2 to a 3/4" rebar with plastic cap stamped L.S. 5940; thence North 00° 29'28" East, 45.00 feet to a 3/4" rebar with plastic cap stamped L.S. 5940; thence North 87° 47' 34" West, 170.00 feet to a 3/4" rebar with plastic cap stamped L.S. 5940; thence South 00° 29'28" West, 45.00 feet to a 3/4" rebar with plastic cap stamped L.S. 5940 on the herein before mentioned East-West centerline Section 2; thence continuing South 00° 29'28" West, 80.00 feet to a 3/4" rebar with plastic cap stamped L.S. 5940; thence North 87° 47'34" West, 54.00 feet to a 3/4" rebar with plastic cap stamped L.S. 5940 on the North-South centerline of said Section 2; thence North 00° 29' 28" East, 80.00 feet along said centerline to the Point of Beginning.

Basis of bearings of this description is the same as the hereinbefore mentioned Parcel Map filed in Map Case 2, Drawer 25, Page 48, Mendocino County Records.

2) All that portion of the South half of Section 36, Township 16 North, Range 17 West, Mount Diablo Base and Meridian, lying westerly and southerly of the following described parcel of land:

Beginning at the Northwest corner of the Southeast quarter of said Section 36; thence along the West line of said Southeast quarter, South 0° 01' 39" East (Record per M.C. 2,D.32, P.24, M.C.R.: South 01° 06' 34" West) 1,393.01 feet to a 5/8" rebar with aluminum cap stamped "P/CPLS 4805" then leaving said West line North 88° 29' 08" East, 2463.71 feet to a 5/8" rebar with aluminum cap stamped "P/C PLS 4805" for the Southwest corner of Lot 3, Section 31, Township 16 North, Range 16 West, Mount Diablo Base and Meridian and the end of this description.

The basis of bearings for this description is North 14° 04' 18" West between found monuments marking the South quarter corner and the center quarter corner of Section 31, Township 16 North, Range 16 West, Mount Diablo Base and Meridian as shown on a map recorded in Map Case 2, Drawer 16, Page 81, Mendocino County Records.

Pursuant to BLA #B105-2003.

APNo.: 123-430-12; 126-260-03; 126-270-01, 06; 126-220-08; 126-230-25 & 26

Tract Two:

Lots 3 and 4 of Section 6 in Township 15 North, Range 16 West, Mount Diablo Base and Meridian; the Southeast quarter; the South half of the Southwest quarter and the Southeast quarter of the Northeast quarter of Section 31 in Township 16 North, Range 16 West, Mount Diablo Base and Meridian; the South half of the Southeast quarter, the Northeast quarter of the Southeast quarter, the South half of the Southwest quarter, the Northwest quarter of the Southwest quarter, the East half of the Northeast quarter and the Southwest quarter of the Northwest quarter of Section 32 in Township 16 North, Range 16 West, Mount Diablo Base and Meridian.

Excepting therefrom that portion of the Southeast quarter of Section 32, Township 16 North, Range 16 West, Mount Diablo Base and Meridian, lying Southeasterly of the Southeasterly line of the Navarro Ridge Road, County Road No. 518.

Pursuant to BLA #B29-2003.

APNo.: 125-340-21; 128-010-02, 128-020-01

Tract Three:

The East half of the Southwest quarter of Section 1, Township 15 North, Range 17 West, Mount Diablo Base and Meridian, according to the official plat thereof.

Excepting therefrom:

1. That portion thereof lying South of the North line of Parcel 4 as shown on Parcel Map MD 82-72 filed for record August 23, 1972 in the office of the County Recorder of Mendocino County in Map Case 2, Drawer 18, Page 45, Mendocino County Records, and

2. That portion lying within the lines of Parcels 1 and 2 of Parcel Map MD 82-72 above referred

to, and

3. That portion commencing at the intersection of the Westerly line of the East half of the Southwest quarter of Section 1, Township 15 North, Range 17 West, Mount Diablo Meridian; with the Northerly line of the County Road; thence running Easterly along said Northerly line 1,110 feet to the point of beginning; thence from said point of beginning running Easterly along the Northerly line of said County Road 210 feet to the Easterly line of the East half of the Southwest quarter of said Section 1; thence Northerly along said Easterly line 120 rods, more or less, to the Northeast corner thereof; thence Westerly along the Northerly line of said subdivision 210 feet; thence Southerly 120 rods to the point of beginning.

Pursuant to Certificate of Compliance recorded October 18, 2004 as Series No. 2004-23459.

APNo.: 126-270-07

Tract Four:

Township 15 North, Range 17 West Mount Diablo Base and Meridian.

Section 2: Lots 1, 2, 3; the Southeast quarter of the Northwest quarter and those portions of Lot 4 and South half of the Northeast quarter, lying North of Big Salmon Creek.

Section 3: That portion of Lot 1 lying North of Big Salmon Creek.

APNo.: 126-220-02, 05, 06

Township 16 North, Range 17 West, Mount Diablo Base and Meridian.

Section 35: The Southeast quarter, excepting therefrom, all that portion thereof conveyed to Fred Shandel by Deed recorded February 25, 1982 in Book 1342 at Page 102, Mendocino County Records.

APNo.: 123-430-17

Tract Five:

Township 16 North, Range 16 West, Mount Diablo Base and Meridian.

Section 20: West half Southeast quarter; Southeast quarter Southeast quarter; South half Southwest quarter, subject to Boundary Line Agreement recorded in Book 2386 of Official Records, Page 470.

APNo.: 125-230-15

Section 21: Southwest quarter Southwest quarter; Southwest half Southeast quarter Southwest quarter. Subject to the Boundary Line Agreement recorded in Book 2386 of Official Records at Page 470.

APNo.: 125-230-17

Section 27: South half Southwest quarter Northwest quarter; Southwest quarter Northeast quarter; West half Southeast quarter; Southwest quarter.

APNo.: 125-350-04

Section 28: All except North half Northeast quarter Northeast quarter.

APNo.: 125-350-01

Section 29: North half; Southeast quarter; Northeast quarter Southwest quarter.

APNo.: 125-340-04

Section 32:

All that portion being more particularly described as follows:

Beginning at a point established by Surveyor Savage as the Northeast corner of the Northwest quarter of Section 32, Township 16 North, Range 16 West, Mount Diablo Meridian; thence West 47 rods to center of ridge between Salmon Creek and Shingle Mill Gulch; thence South bearing East along center of ridge 198 rods to stake along side of road; thence North to point of beginning, it being all lands lying East of above described line of said ridge.

The West half of the Northeast quarter; the Northwest quarter of the Southeast quarter.

APNo.: 125-340-17

Township 16 North, Range 16 West, Mount Diablo Meridian.

Section 33: All those portions lying North of the center line of the Navarro Ridge and Anderson Valley Public Road.

Together with that portion of Section 34 described in Exhibit C of Deed to Rex Timber, Inc. recorded April 24, 1986 in Book 1555 at Page 367, Mendocino County Records.

Excepting therefrom, all that portion thereof described in Exhibit A of Deed to Helen Hamby recorded April 24, 1986 in Book 1555 at Page 362, Mendocino County Records.

APNo.: 125-350-19

Section 34: North half of Northwest quarter;

All that portion of the South half Northwest quarter described as follows:

Beginning at a point on North boundary of the South half of the Northwest quarter of Section 34 in Township 16 North, Range 16 West of Mount Diablo Base and Meridian in an old road leading from what is known as the Pullen Mill on the Upper Salmon Creek to what used to be known as the Ray Half Way House which point of beginning is distant three chains Easterly from a stake on West boundary of said Section set for the Northwest corner of said South half of Northwest quarter; thence from said point of beginning running in said road South 30° East 2.00 chains,

South 57° East 1.20 chains, South 60° East 1.75 chains, South 45° East 1.30 chains, South 70° East 85 links, South 02° East 2.00 chains, South 20° East 2.60 chains, South 39° East 1.30 chains, South 65° East 2.45 chains, South 50° East 3.25 chains, South 27° East 1.25 chains, South 46° East 1.10 chains, South 50° East 2.25 chains, South 72° East 1.50 chains, South 46° East 1.30 chains; thence leaving said road North 60 3/4° East 10.80 chains to the point from which the most Northerly corner of the land heretofore conveyed to Mrs. Ray Bears South 29 1/4° East and is distant 76 links; thence North 60 3/4° East 11.73 chains to point on ridge between Salmon Creek and Flynn Creek, said Flynn Creek being a tributary of the Navarro River; thence on said ridge North 23 3/4° East 5.30 chains, more or less, to the North boundary of said South half of the Northwest quarter; thence on such North boundary North 87 1/4° West 39 chains and to the point of beginning.

Together with all that portion thereof described in Exhibit D of Deed to Rex Timber, Inc. recorded April 24, 1986 in Book 1555 at Page 367, Mendocino County Records.

Excepting therefrom, all that portion thereof, described in Exhibit B of Deed to Helen Hamby recorded April 24, 1986 in Book 1555 at Page 362, Mendocino County Records.

APNo.: 125-350-20

**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:

PART ONE

SECTION ONE

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.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. 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.

SECTION TWO

NOTE: THE FOLLOWING EXCEPTIONS AFFECT TRACT A:

1. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
2. A public trust easement between the ordinary high and ordinary low watermarks of Big River.
3. Any rights, interests, or easements in favor of the public, which exist or are claimed to exist over any portion of said land covered by water.
4. Rights of the public in and to that portion of the land lying within the boundaries of any public roadways.
5. An easement for road and incidental purposes, recorded July 30, 1884 in Book 33 of Deeds, Page 371.
In Favor of: County of Mendocino

Affects: Northeast 1/4 of Southwest 1/4 of Section 2, Township 17
North, Range 16 West, Mount Diablo Meridian.

The location of the easement cannot be determined from record information.

6. An easement for right of way and incidental purposes in the document recorded August 5, 1886 in Book 38 of Deeds, Page 412.
Affects: Section 3, 16 x 16

The location of the easement cannot be determined from record information.

7. An easement for right of way and incidental purposes in the document recorded January 3, 1887 in Book 39 of Deeds, Page 410.
Affects: Section 3, 17 x 16

The location of the easement cannot be determined from record information.

8. An easement for road and incidental purposes, recorded July 12, 1893 in Book 59 of Deeds, Page 74.
In Favor of: County of Mendocino
Affects: the Southeast 1/4 of Section 12, Township 17 North,
Range 16 West, Mount Diablo Meridian.

The location of the easement cannot be determined from record information.

9. An easement for outlet for the removal of timber from adjoining lands and incidental purposes in the document recorded July 7, 1894 in Book 65 of Deeds, Page 72.

The location of the easement cannot be determined from record information.

10. An easement for public highway and incidental purposes, recorded May 13, 1899 in Book 75 of Deeds, Page 424.
In Favor of: County of Mendocino
Affects: a portion of the North 1/2 of Section 33, Township 17
North, Range 16 West, Mount Diablo Meridian with other
property

11. An easement for right of way and incidental purposes, recorded April 15, 1940 as Book 138, Page 135 of Official Records.
In Favor of: Casper Lumber Company
Affects: Sections 11 and 12, 17 x 16

12. An easement for right to transport, by any lawful means of transportation, timber from other lands and incidental purposes in the document recorded June 13, 1941 as Book 148, Page 366 of Official Records.
Affects: Sections 26, 27, & 35, Township 17 North, Range 16 West, Mount Diablo Meridian.

The location of the easement cannot be determined from record information.

13. An easement for the right of laying at any time, pipes and conduits for water, sewers, telephone, electric light, gas or power fixtures together with a right of way for the purpose of laying and/or maintaining railroad tracks and incidental purposes in the document recorded October 14, 1947 as Book 214, Page 57 of Official Records.

All of the easements and rights of way reserved in said Deed were assigned to the State of California in the instrument recorded December 2, 1951 in Book 304 of Official Records at Page 426, Mendocino County Records.

The location of the easement cannot be determined from record information.

14. Covenants, conditions, restrictions and easements in the document recorded October 14, 1947 as Book 214, Page 57 of Official Records, which provide that a violation thereof shall not defeat or render invalid the lien of any first mortgage or deed of trust made in good faith and for value, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, sexual orientation, marital status, ancestry, disability, handicap, familial status, national origin, source of income (as defined in California Government Code 12955(p)), to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

15. An easement for roadway and incidental purposes, recorded August 16, 1949 as Book 263, Page 1 and August 10, 1949 in Book 258, Page 49 of Official Records.

In Favor of: State of California

Affects: Sections 2, 3, 10 & 12, Township 17 North, Range 16 West,
Mount Diablo Meridian.

16. The terms and provisions contained in the document entitled "Selection of Route for Right of Way" recorded September 21, 1949 as Book 254, Page 496 of Official Records.

17. An easement for roadway, public utilities and incidental purposes in the document recorded June 27, 1950 as Book 274, Page 187 of Official Records.

Affects: Property in Township 17 North, Range 16 West, Mount Diablo Meridian.

The location of the easement cannot be determined from record information.

18. An easement for public utilities and incidental purposes, recorded January 8, 1951 as Book 279, Page 238 of Official Records.

In Favor of: Pacific Gas and Electric Company, a California corporation

Affects: Sections 2, 3 and 12, Township 17 North, Range 16 West,
Mount Diablo Meridian.

A Consent recorded March 15, 1951 in Book 284 of Official Records at Page 135, Mendocino County Records.

19. An easement for public utilities and incidental purposes, recorded March 15, 1951 as Book 284, Page 132 of Official Records.
In Favor of: Pacific Gas and Electric Company
Affects: the North half of Section 11, Township 17 North, Range 16 West, Mount Diablo Meridian.

A Consent recorded March 15, 1951 in Book 284 of Official Records at Page 135, Mendocino County Records.
20. An easement for roadway and incidental purposes in the document recorded September 17, 1951 as Book 298, Page 466 of Official Records.
Affects: That portion lying in the South 1/2 of Section 11, Township 17 North, Range 16 West, Mount Diablo Meridian.
21. The effect of an Agreement by and between Caspar Lumber Company and Union Lumber Company concerning the granting of a non-assignable right of way to the State of California as contained in the Deed recorded September 17, 1951 in Book 298 of Official Records at Page 466, Mendocino County Records.
22. An easement for road and incidental purposes, recorded June 21, 1954 as Book 373, Page 130 of Official Records.
In Favor of: State of California
Affects: That portion lying within Township 17 North, Range 16 West, Mount Diablo Meridian.
23. The effect of an Agreement Respecting Exchange of Rights of Way by and between the State of California and Union Lumber Company recorded June 21, 1954 in Book 373 of Official Records at Page 144, Mendocino County Records.

Affects that portion lying within Township 17 North, Range 16 West, Mount Diablo Meridian.
24. An easement for roadway and incidental purposes in the document recorded September 14, 1970 as Book 826, Page 553 of Official Records.
25. The terms and provisions of a Mutual Conveyance and Boundary Line Agreement by and between Boise Cascade Corporation, Frank M. Tunzi and Nancy A. Tunzi recorded September 14, 1970 in Book 826 of Official Records at Page 565, Mendocino County Records.

Affects property lying in Sections 27 & 34, Township 17 North, Range 16 West, Mount Diablo Meridian.
26. The terms and provisions contained in the document entitled "Reciprocal Right of Way and Road Use Agreement" recorded April 9, 1976 as Book 1035, Page 526 of Official Records.

A Consent to Transfer of said Agreement recorded February 15, 1999 as Document 1999-23468, Mendocino County Records.

27. An easement for Any and all purposes, including, but not limited to ingress, egress, hauling of timber products and livestock, public utilities and incidental purposes in the document recorded January 23, 1980 as Book 1245, Page 39 of Official Records.

28. The effect of the following surveys, together with any notations, recitals and easements contained therein:

Recorded April 2, 1968 in Map Case 2, Drawer 11, Page 10, Mendocino County Records.
Affects A. P. No. 21-120-62

Recorded December 29, 1970 in Map Case 2, Drawer 15, Page 73, Mendocino County Records.
Affects A. P. No.'s 21-120-92 & 125-040-21

Recorded November 16, 1992 in Map Case 2, Drawer 56, Page 61, Mendocino County Records.
Affects A. P. No. 125-040-21

Recorded November 19, 1973 in Map Case 2, Drawer 22, Page 97, Mendocino County Records.

Recorded July 8, 1975 in Map Case 2, Drawer 26, Page 70, Mendocino County Records.
Affects A. P. No.'s 21-100-72, 79 & 81 and a portion of 21-110-28

Recorded July 19, 1984 in Map Case 2, Drawer 41, Page 98, Mendocino County Records.

Recorded September 12, 1988 in Map Case 2, Drawer 47, Page 49, Mendocino County Records.
Affects A. P. No. 21-370-65

Recorded April 20, 1989 in Map Case 2, Drawer 48, Page 20, Mendocino County Records.
Affects A. P. No. 125-040-21

Recorded January 18, 1990 in Map Case 2, Drawer 50, Page 5, Mendocino County Records.
Affects A. P. No.'s 21-100-72, 79 & 81 and a portion of 21-110-28

Recorded June 14, 1974 in Map Case 2, Drawer 24, Page 30.

29. The following Permitted Encumbrances ("PE") listed on Exhibit C to the Deed from North American Timber Corporation, a Delaware corporation to Hawthorne Timber Company, LLC, a Delaware limited liability company, recorded December 15, 1999 as Document No. 1999023469:

1. PE 1: Wilderness Unlimited Hunting Lease
2. PE 27: McDonald Reciprocal Right of Way
3. PE 40: Jackson Demonstration State Forest Easement
4. PE 41: Jackson Demonstration State Forest Easement
5. PE 99: Mendocino Redwood Company Reciprocal Right of Way
6. PE 114: Jame Odis Schmidt road use license agreement

7. PE 120: Boundary Line Agreement with L-P Corp. and Karen Calvert.
8. PE 121: Quitclaim Deed to Gordon and Mary McGuire dated April 8, 1975.
30. Notations, Recitals, Boundaries and Easements all as shown on Record of Survey filed June 26, 2002 in Map Drawer 69 at Pages 87, 88 and 89.
31. The terms and provisions contained in the document entitled "Deed of Conservation Easement" recorded July 30, 2002 as 2002-16539 of Official Records.
32. An easement for roadway and incidental purposes along with additional rights relating to gates and the drafting of water from a pond, all as reserved in "Exhibit B" of that certain document recorded November 1, 2006 as 2006-21782.

NOTE: THE FOLLOWING EXCEPTIONS AFFECT TRACT B:

33. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
34. Any rights, interests, or easements in favor of the public, which exist or are claimed to exist over any portion of said land covered by water.
35. Rights of the public in and to that portion of the land lying within the boundaries of any public road or highway.
36. An easement for roadway and incidental purposes in the document recorded April 17, 1883 in Book 30 of Deeds, Page 233.

The location of the easement cannot be determined from record information.

37. An easement for roadways and incidental purposes in the document recorded April 17, 1883 in Book 30 of Deeds, Page 236.

The location of the easement cannot be determined from record information.

38. An easement for roadways and incidental purposes in the document recorded June 5, 1890 in Book 52 of Deeds, Page 117.

The location of the easement cannot be determined from record information.

39. An easement for public utilities and incidental purposes, recorded April 21, 1950 as Book 266, Page 254 of Official Records.

In Favor of: Pacific Telephone and Telegraph Company

The location of the easement cannot be determined from record information.

40. An easement for public utilities and incidental purposes, recorded March 5, 1951 as Book 284, Page 88 of Official Records.

In Favor of: Pacific Telephone and Telegraph Company

The location of the easement cannot be determined from record information.

41. An easement for public utilities and incidental purposes, recorded February 13, 1951 as Book 286, Page 96 of Official Records.

In Favor of: Pacific Telephone and Telegraph Company

The location of the easement cannot be determined from record information.

42. An easement for public utilities and incidental purposes, recorded February 14, 1951 as Book 286, Page 111 of Official Records.

In Favor of: Pacific Telephone and Telegraph Company

The location of the easement cannot be determined from record information.

43. An easement for public utilities and incidental purposes, recorded May 3, 1951 as Book 286, Page 407 of Official Records.

In Favor of: Pacific Telephone and Telegraph Company

The location of the easement cannot be determined from record information.

44. The terms and provisions contained in the document entitled "Easement Agreement" recorded August 27, 1970 as Book 825, Page 405 of Official Records.

Assignment recorded August 27, 1970 in Book 825 at Page 411, Mendocino County Records.

45. An easement for water rights from an existing spring and incidental purposes in the document recorded July 20, 1971 as Book 855, Page 355 of Official Records.

The location of the easement cannot be determined from record information.

46. The terms and provisions contained in the document entitled "Reciprocal Right of Way and Road Use Agreement" recorded April 9, 1976 as Book 1035, Page 526 of Official Records.

Consent to Transfer Agreement including the terms and provisions contained therein recorded December 15, 1999 as Series No. 1999-23468 and April 4, 2005 as Series No. 2005-06985.

47. An easement for roadway and incidental purposes in the document recorded May 23, 1979 as Book 1208, Page 132 of Official Records.

The location of the easement cannot be determined from record information.

48. The terms and provisions contained in the document entitled "Right of Way Agreement" recorded November 5, 1982 as Book 1372, Page 653 of Official Records.
49. The terms and provisions contained in the document entitled "Right of Way and Road Use Agreement" recorded January 23, 1992 as Book 1961, Page 554 of Official Records.
50. The terms and provisions contained in the document entitled "Boundary Line Agreement" recorded January 8, 1997 as Book 2386, Page 470 of Official Records.
51. The following Permitted Encumbrances ("PE") listed on Exhibit C to the Deed from North American Timber Corporation, a Delaware corporation to Hawthorne Timber Company, LLC, a Delaware limited liability company recorded December 15, 1999 as Document No. 1999-23469:
1. PE 1: Wilderness Unlimited Hunting Lease
 2. PE 27: McDonald Reciprocal Right of Way
 3. PE 40: Jackson Demonstration State Forest Easement
 4. PE 41: Jackson Demonstration State Forest Easement
 5. PE 99: Mendocino Redwood Company Reciprocal Right of Way
 6. PE 114: Jame Odis Schmidt road use license agreement
 7. PE 120: Boundary Line Agreement with L-P Corp. and Karen Calvert.
 8. PE 121: Quitclaim Deed to Gordon and Mary McGuire dated April 8, 1975.
52. The terms and provisions contained in the document entitled "Reciprocal Forestry Road Easement Agreement" recorded June 21, 2001 as 2001-11365 of Official Records.
53. The effect of the following Record of Surveys together with any notations, recitals and easements contained thereon filed:
- September 15, 1967 in Map Case 2, Drawer 9, Page 44;
June 23, 1971 in Map Case 2, Drawer 16, Page 81;
August 11, 1971 in Map Case 2, Drawer 16, Page 96;
August 23, 1972 in Map Case 2, Drawer 18, Page 45;
December 23, 1975 in Map Case 2, Drawer 25, Page 48;
April 3, 1978 in Map Case 2, Drawer 32, Page 24;
March 9, 1982 in Map Case 2, Drawer 38, Page 96;
February 27, 1986 in Map Case 2, Drawer 44, Page 39;
July 31, 1986 in Map Case 2, Drawer 44, Page 75;
July 6, 1992 in Map Case 2, Drawer 56, Page 11;
November 16, 1992 in Map Case 2, Drawer 56, Page 60;
June 28, 1994 in Map Case 2, Drawer 59, Page 32;
April 8, 1998 in Map Case 2, Drawer 65, Page 25;
October 18, 1993 in Map Case 2, Drawer 58, Page 30

NOTE: THE FOLLOWING EXCEPTIONS AFFECT TRACT A AND B:

54. The terms and provisions contained in the document entitled "Irrevocable Offer to Dedicate Title In Fee and Declaration of Restrictive Covenants" recorded November 1, 2006 as 2006-21784 of Official Records.
55. The effect of a document entitled "Notice of Unrecorded Grant Agreement (With Covenants Affecting Real Property)", recorded November 1, 2006 as 2006-21785 of Official Records.
56. A deed of trust to secure an original indebtedness of \$25,000,000.00 recorded November 1, 2006 as 2006-21786 of Official Records.

Dated:	October 31, 2006
Trustor:	The Conservation Fund, a Maryland nonprofit corporation
Trustee:	First American Title Insurance Company, a California corporation
Beneficiary:	State Water Resources Control Board

The map attached, if any, may or may not be a survey of the land depicted hereon. First American expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

Form No. 1402.92 (10/17/92)

ALTA Standard Owner's Policy
Western Regional Exceptions

Order Number: **2303-**
2191948

Page Number: 30

ENDORSEMENT

Attached to Policy No. 2303-2191948

Issued By

First American Title Insurance Company

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the land to abut upon a physically open street known as California State Highway 20 as to Tract A; Albion Ridge Road as to Tract One of Tract B and Navarro Ridge Road as to Tracts Three and Five of Tract B.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

CLTA Form 103.7 (Rev. 6-14-96)
ALTA or CLTA - Owner or Lender

ENDORSEMENT

Attached to Policy No. 2303-2191948

Issued By

First American Title Insurance Company

The Company hereby insures the insured against loss which the insured shall sustain by reason of any statutory lien for labor or material attaching to the estate or interest referred to in Schedule A arising out of any work of improvement under construction or completed at Date of Policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

CLTA Form 101.4 (Revised 9-10-93)
CLTA - Owner

ENDORSEMENT

Attached to Policy No. 2303-2191948

Issued By

First American Title Insurance Company

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the land described in Schedule A as Tracts One, Two, Three, Four and Five of Tract A to be contiguous to each other along their respective adjacent boundary lines, and the land described as Tracts One, Two, Three, Four and Five of Tract B to be contiguous to each other along their respective adjacent boundary lines .

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

CLTA Form 116.4 (Revised 6-14-96)
ALTA or CLTA - Owner or Lender

ENDORSEMENT

Attached to Policy No. 2303-2191948

Issued By

First American Title Insurance Company

The Company hereby insures the insured against loss or damage which the insured shall sustain by reason of the failure of the land described in Schedule A to constitute a lawfully created parcel according to the Subdivision Map Act (Section 66410, et seq., of the California Government Code) and local ordinances adopted pursuant thereto.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

CLTA Form 116.7 (Revised 6-14-96)
Subdivision Map Act Endorsement

ENDORSEMENT

Attached to Policy 2303-2191948

Issued By

First American Title Insurance Company

The Company hereby insures against loss or damage sustained or incurred by the Insured by reason of any of the following matters:

1. The existence of any present violations on the land of any enforceable covenants, conditions or restrictions;
2. Except as shown in Schedule B, any present encroachments onto the land of buildings, structures or improvements located on adjoining lands; and
3. Unmarketability of the title to the estate or interest by reason of any violations on the land, occurring prior to acquisition of title to the estate or interest by the Insured, of any covenants, conditions or restrictions.

Wherever in this endorsement any or all the words "covenants, conditions or restrictions" appear, they shall not be deemed to refer to or include the terms, covenants, conditions or restrictions contained in any lease.

This endorsement is made a part of the policy and is subject to all the terms and provisions thereof and of any prior endorsements. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any prior endorsements, nor does it extend the effective date of the Policy and any prior endorsements, nor does it increase the face amount thereof.

F.A. Form 31.2 (Revised 3/99)

ALTA- Extended Owners

(Unimproved Land)

ENDORSEMENT

Attached to Policy No. 2303-2191948

Issued By

First American Title Insurance Company

The Policy is hereby amended by deleting paragraph no. 4 from the Exclusions From Coverage.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

F.A. Form 45 (Revised 4-90)

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 which arise by reason of:

- 1.(a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to
 - (i) the occupancy, use, or enjoyment of the land;
 - (ii) the character, dimensions or location of any improvement now or hereafter erected on the land;
 - (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or
 - (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
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; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS**1. DEFINITION OF TERMS.**

The following terms when used in this policy mean:

- (a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.
- (b) "insured claimant": an insured claiming loss or damage.
- (c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.
- (d) "land": the land described or referred to in Schedule (A), and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A), nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.
- (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (f) "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 Section 1(a)(iv) of the Exclusions from Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.
- (g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness 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 covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. 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 indebtedness secured by a purchase money mortgage given to an 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 4(a) below,

(ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or

(iii) if title to the estate or interest, an insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, 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 adverse to the title or interest as insured but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter 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 and 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 an insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to an insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(b) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(c) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company 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 any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest 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.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which 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. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, 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 proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which 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 records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which 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 other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. 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, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

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

(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, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which 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 which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (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.

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

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 and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

- (i) the Amount of Insurance stated in Schedule A; or,
- (ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or (ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement. The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule (A)(C) consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

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 unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(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 therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any 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 the insurance pro tanto.

11. LIABILITY NONCUMULATIVE.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay 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 hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. 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 or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. 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 of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 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 \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto 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, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

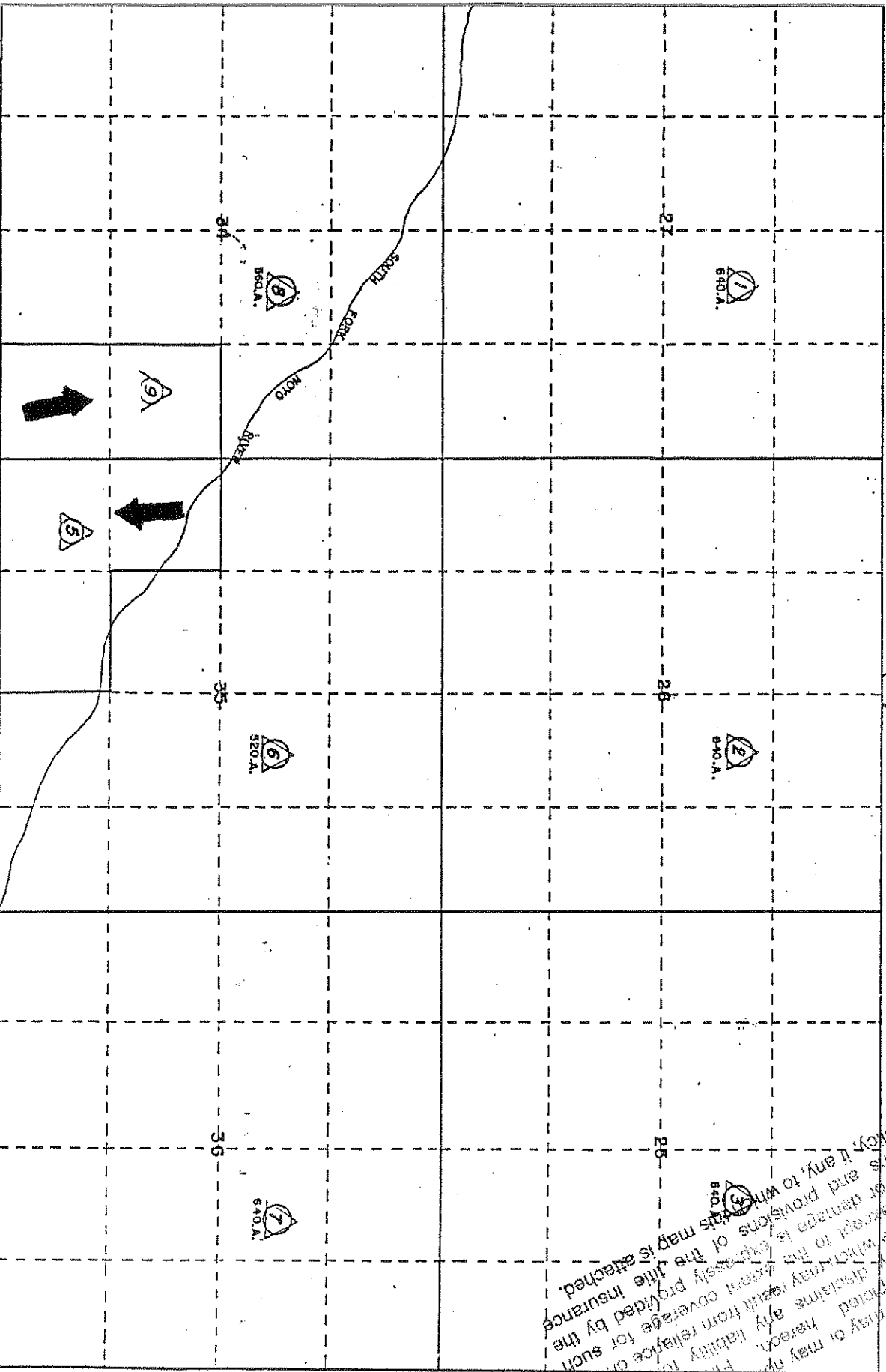
In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at 1 First American Way, Santa Ana, California 92707, or to the office which issued this policy.

PORTION TRACT A

Sec. 25, 26, 27, 34, 35, 36 T. 18 N. R. 16 W., M.D.B. & M.



104-019
This map may or may not be a survey of the
land depicted hereon. First American
land insurance company disclaims any liability for loss or
damage which may result from reliance on this
map except to the extent provided for such
terms and provisions of the life insurance
policy, if any, to which this map is attached.

NOTE: This map was prepared for
information purposes only. No liability
is assumed for the data contained
herein.

Assessor's Map
County of Mendocino, Calif.
March, 1950

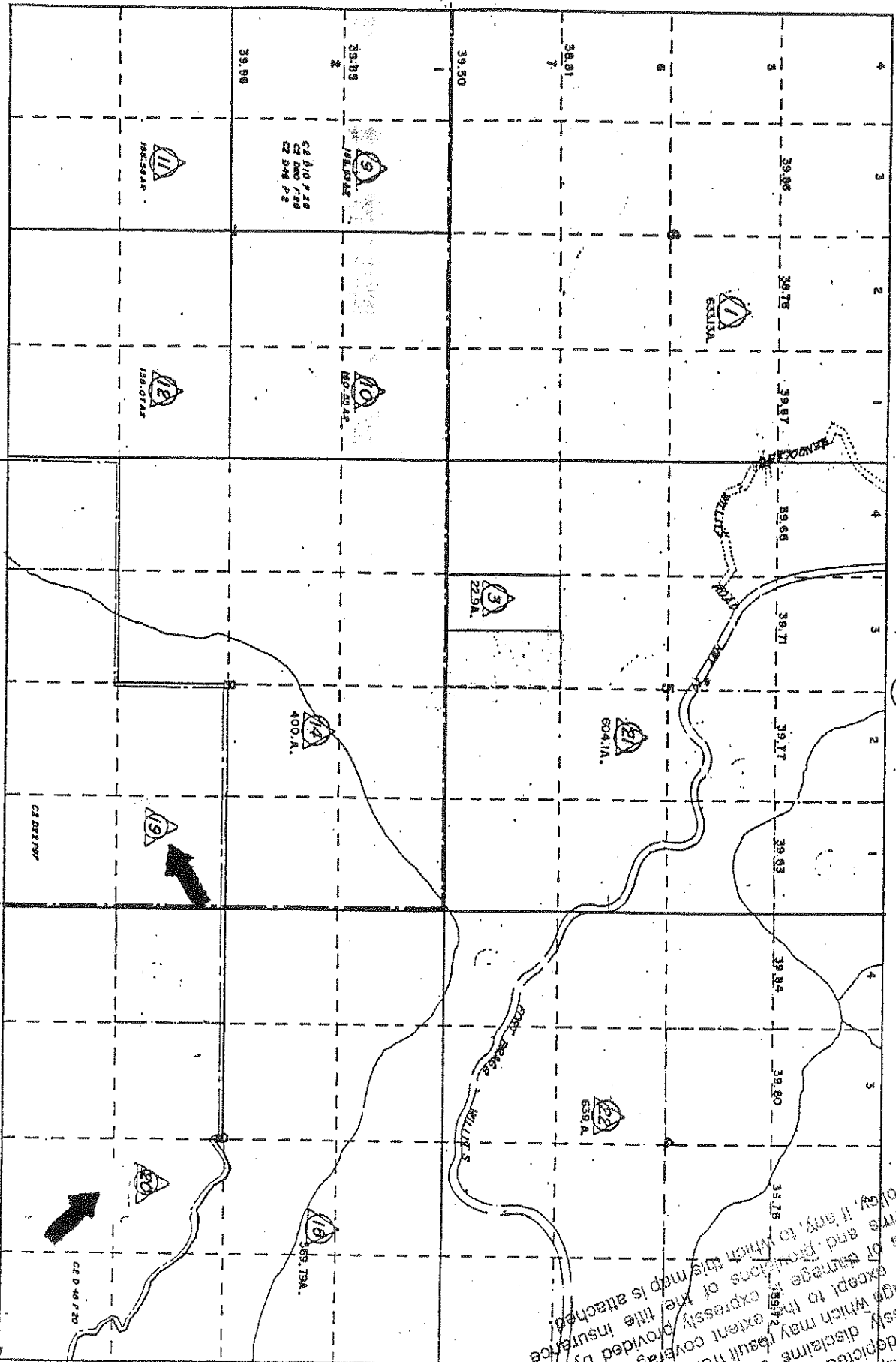
PORTION TRACT A

Sec. 4, 5, 6, 7, 8, 9 T. 17 N. R. 16 W., M.D.B. & M.

104-028
104-019
104-002
104-030

21-07

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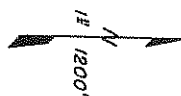
Assessor's Map
County of Mendocino, Calif.
March 1987

104-019
104-030

3

104-002	104-022
104-009	104-032

21-09



This map may or may not be a
true and correct representation of the
land depicted and may not be
relied upon for any purpose
other than for reference only. No liability
for the data delineated
on this map is assumed by the
United States Government.

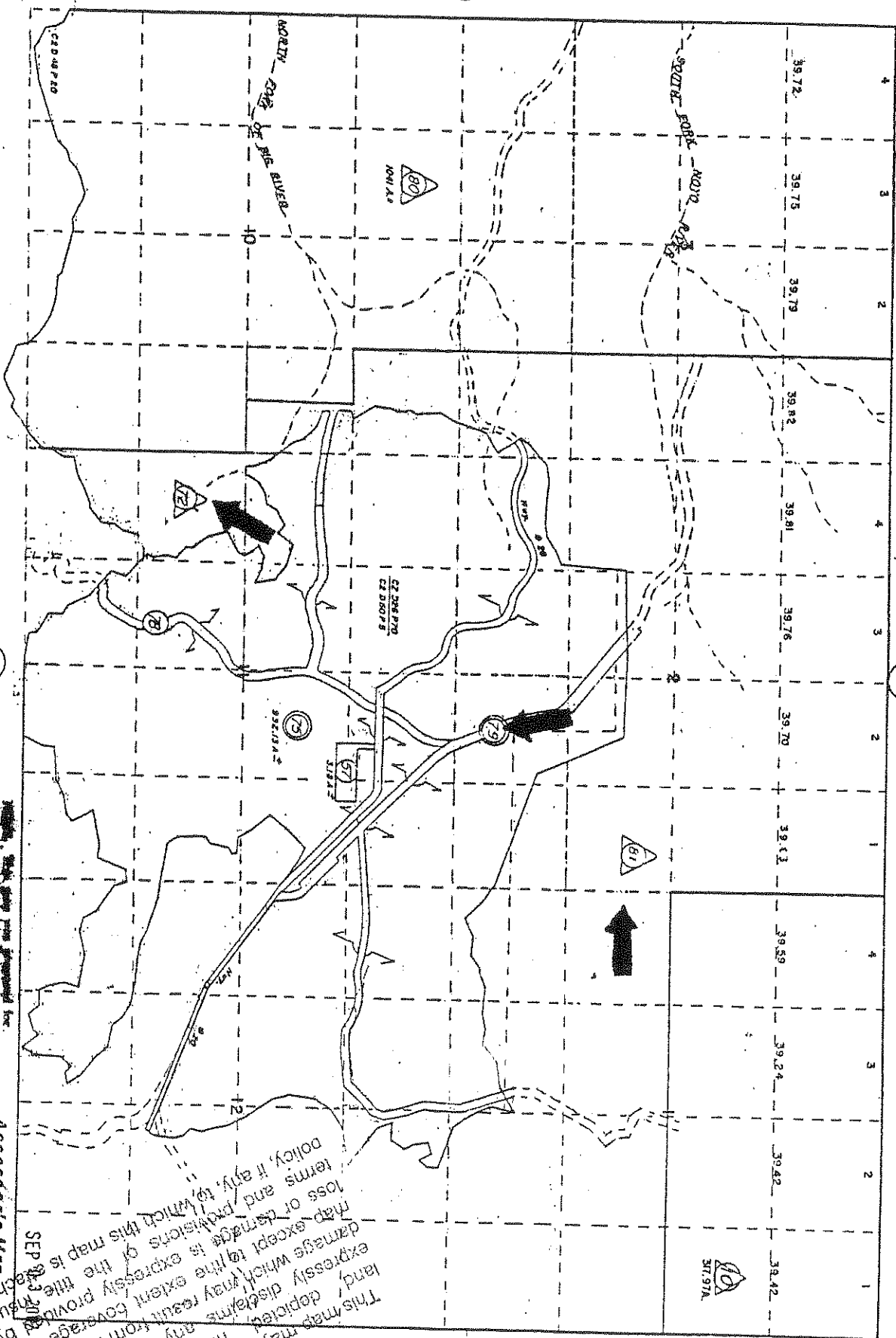
*Assessor's Map
County of Mendocino, Calif.
March, 1950*

PORTION TRACT A

Sec. 1, 2, 3, 10, 11, 12 T. 17 N. R. 16 W., M.D.B. & M.

104-013

21-10



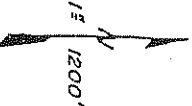
Assessor's Map
County of Mendocino, California
March, 1950

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SEP 23 1950

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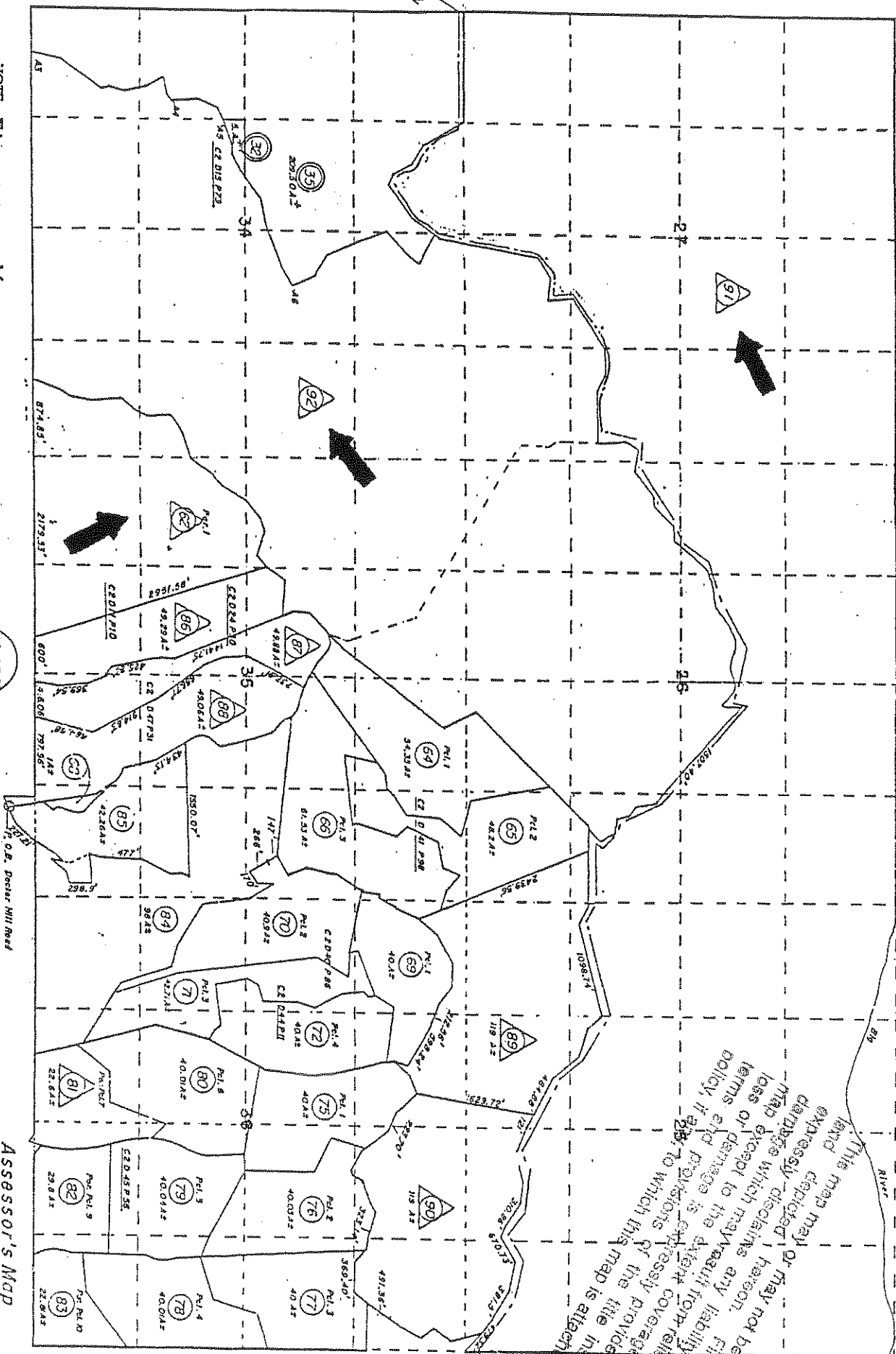
21



Assessor's Map
County of Mendocino, Calif.
March, 1950

104-013

71-12



1. This map may or may not be expressly disclaimed hereon.
2. Map does not make any liability for loss or damage to the driver from a survey of the land.
3. Provisions of the title insurance policy, if attached, shall apply to which this map is attached.
4. First American
5. for loss or
6. American
7. insurance
8. policy, if
9. attached,
10. shall apply
11. to which this
12. map is attached.
13. 1200
14. N
15. 1200

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*Assessor's Map
County of Mendocino, Calif.
March, 1950*



125 04

125 04



Portion Tract B

The S.1/2 of Sec. 35, the N.E.1/4 & the S.1/2 of Sec. 36, T.16N. R.17W., M.D.B.&M.

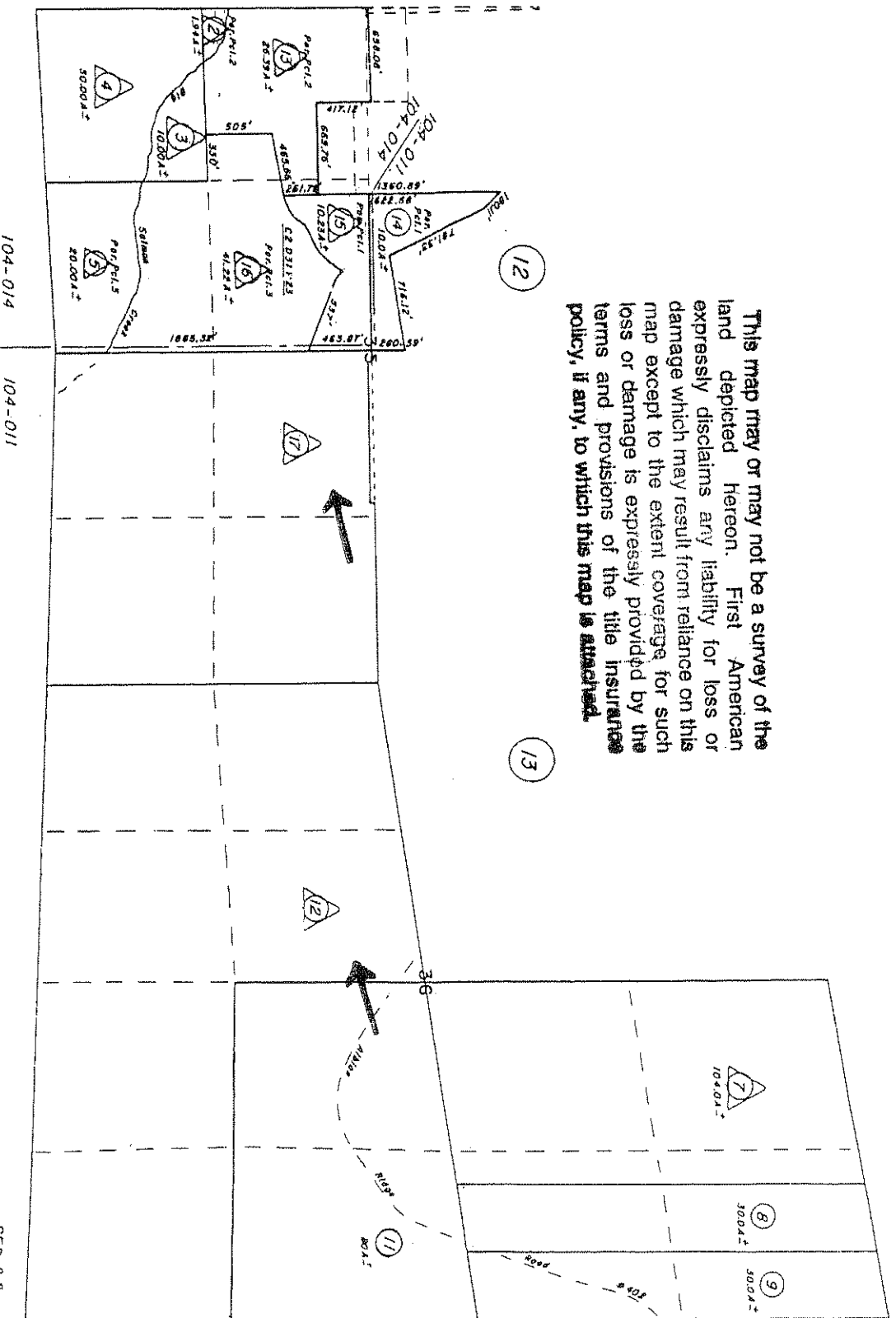
Pct. Map C2 D31 P23

104-011
104-014

123-43

(27)

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Assessor's Map
County of Mendocino, Calif.
March, 1975

Portion Tract B

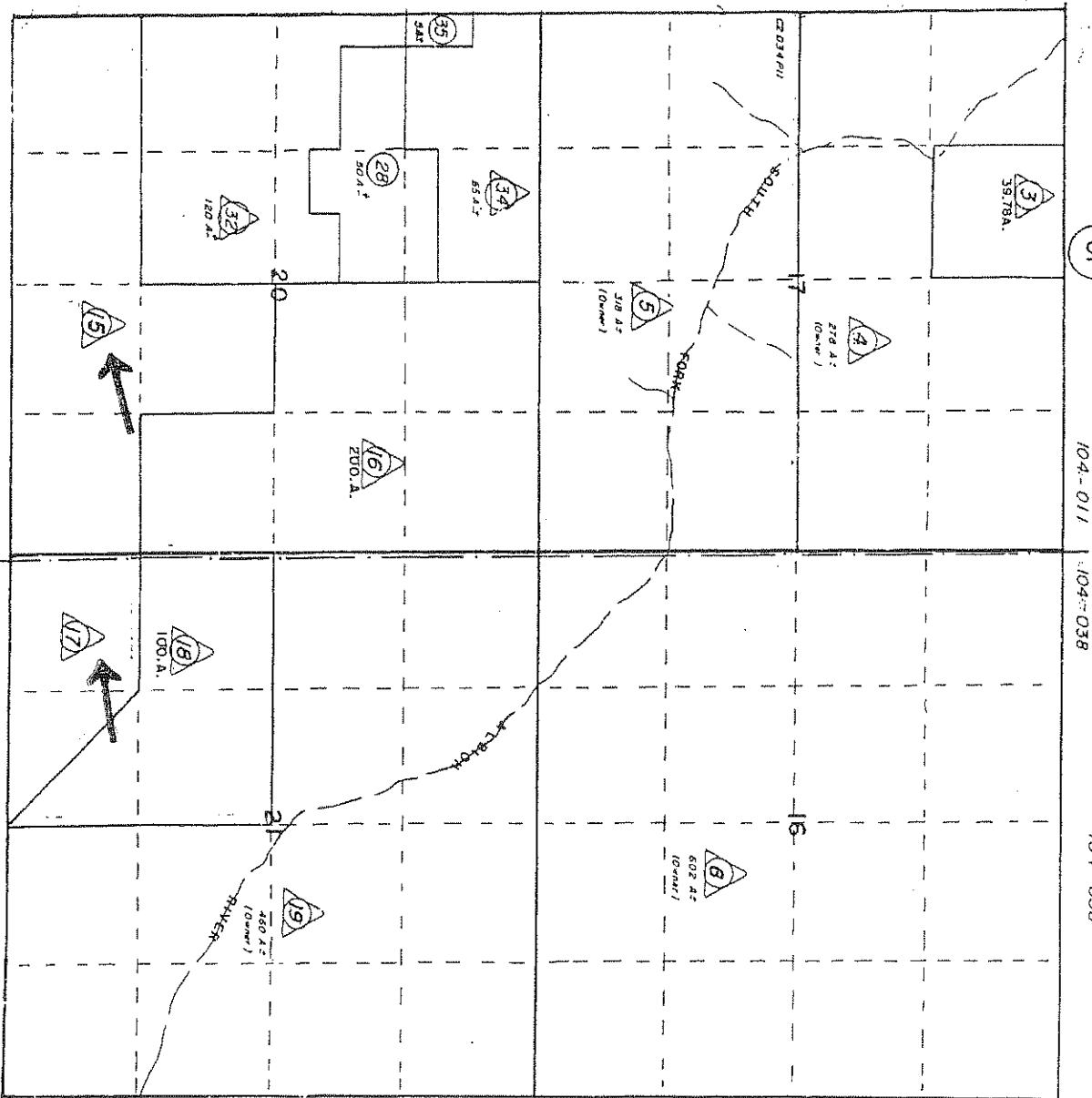
Sec. 16 to 21, T. 16 N. R. 16 W. M. D. B. & M.

125-23

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49

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104-011

104-038

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Assessor's Map
County of Mendocino, Calif.
Merch, 1965

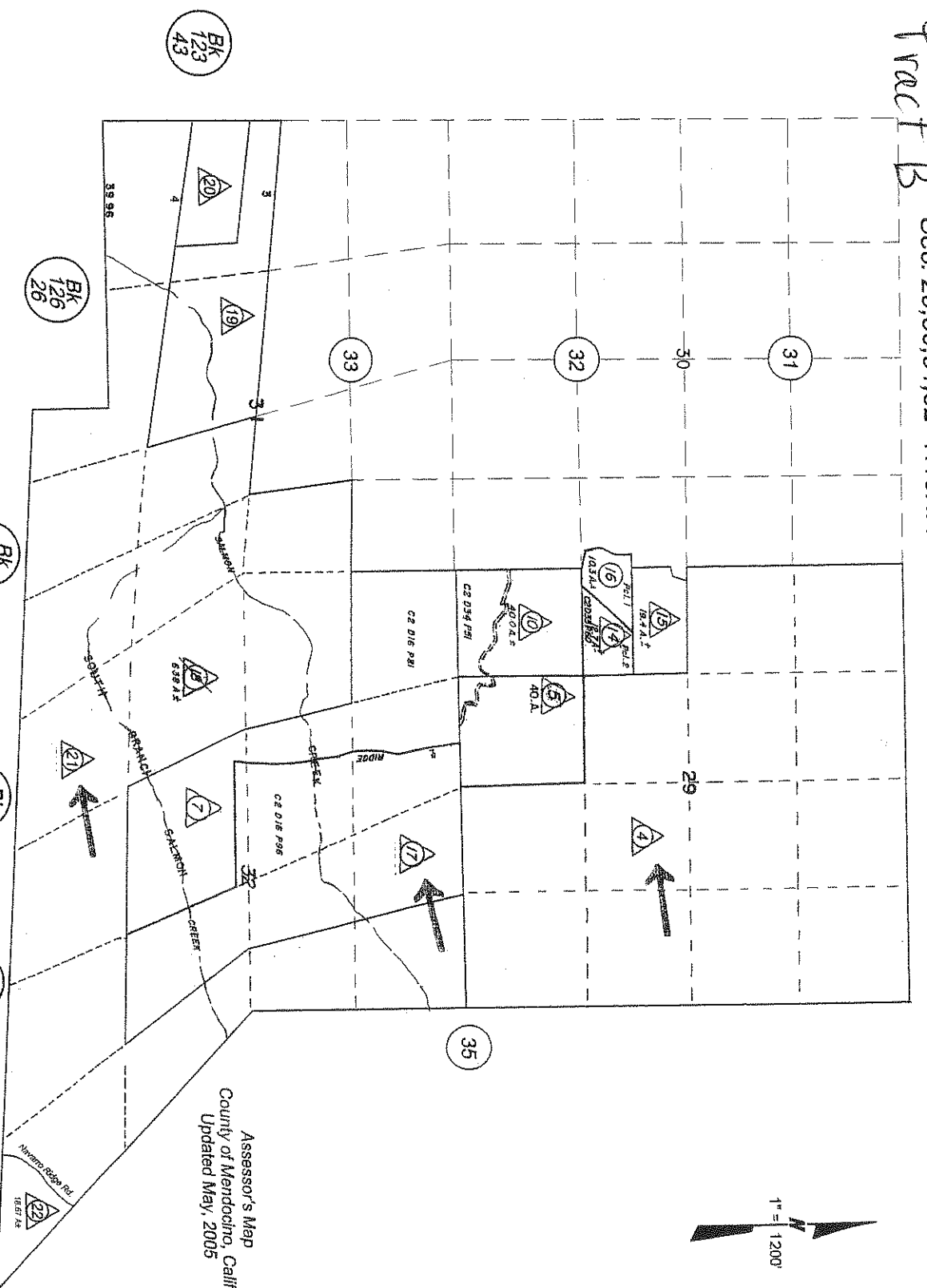
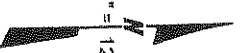
Portion Tract B

Sec. 29,30,31,32 T.16N. R.16W. M.D.B.&M.

104-011

125 - 34

1" = 1200'



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Assessor's Map
County of Mendocino, Calif.
Updated May, 2005

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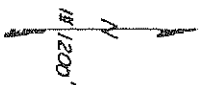
Portion Tract B

23 Sec. 27, 28, 33, 34, T. 16 N. R. 16 W. M. D. B. 8 M.

24

53-017
104-037
104-038

125 - 35



Pcl Map C2 D22 P7
C2 D24 P7

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104-037

104-038
53-017

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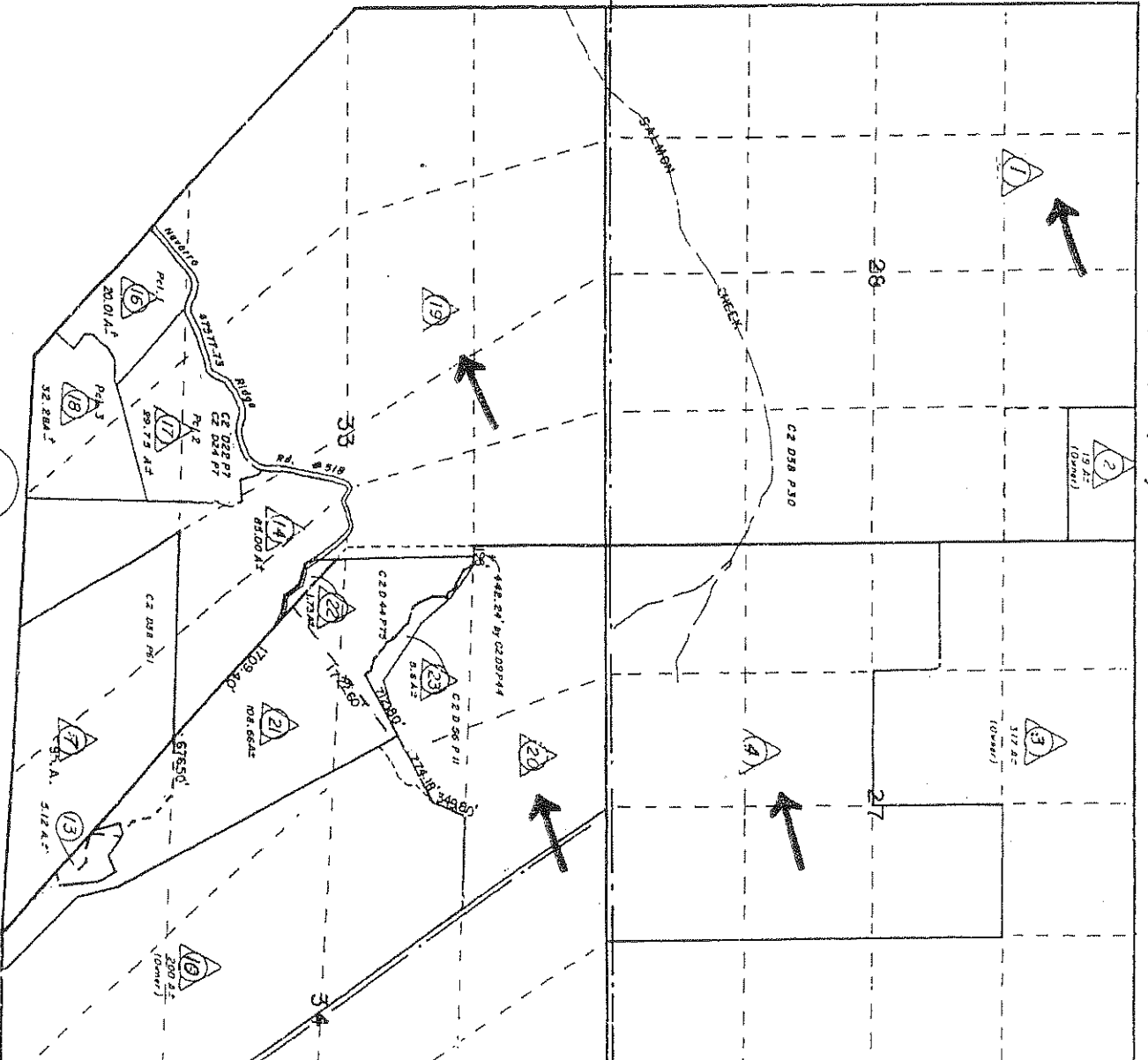
43

5-27-86
5-19-90
7-23-92

BK 128
13

BK 128
17

ASSESSOR'S MAP
COUNTY OF MENDOCINO, CALIF
MARCH 1965



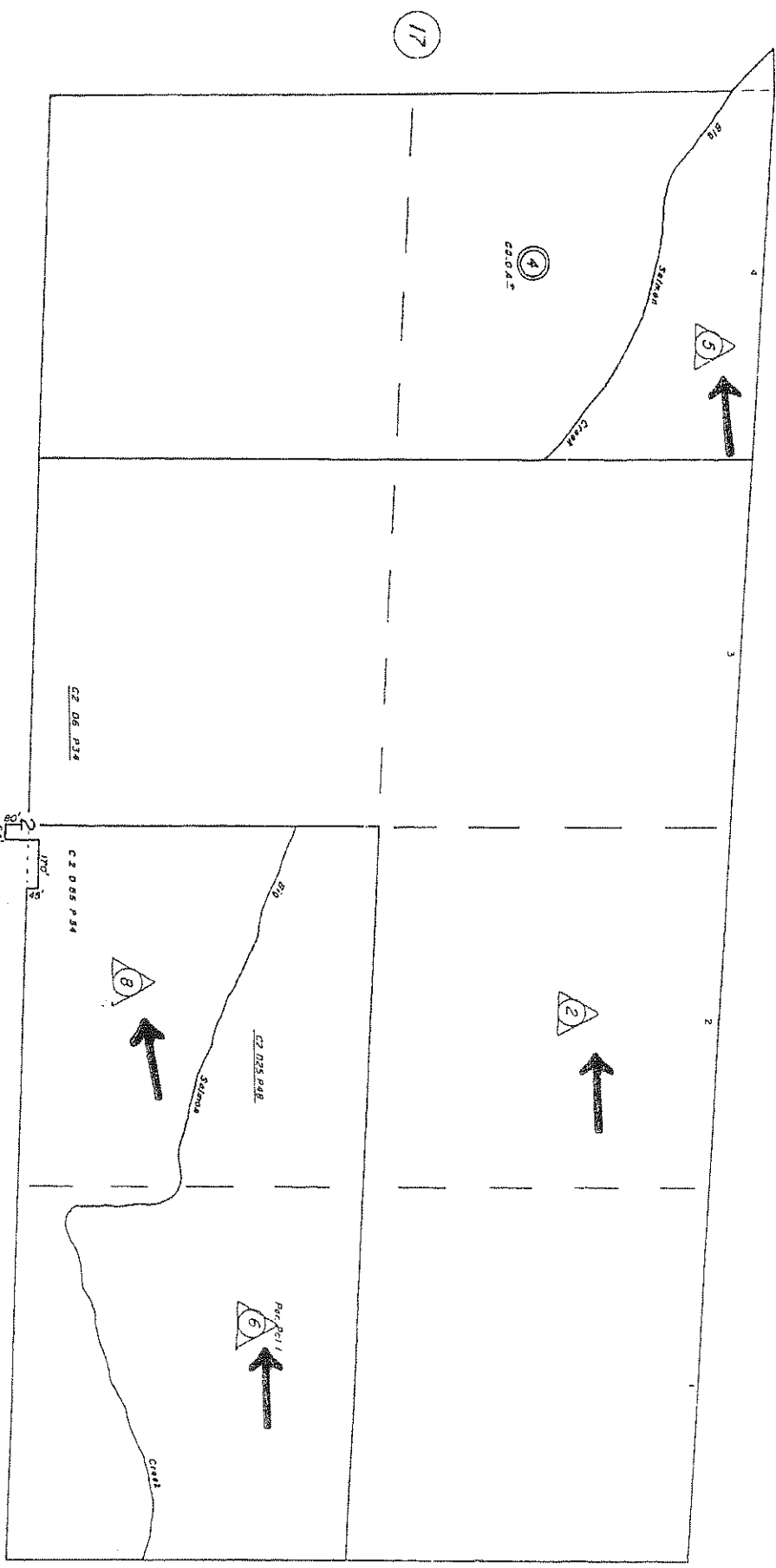
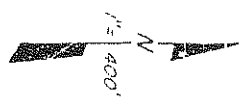
Portion Tract B N. 1/2 Sec. 2 T.15N. R.17W. M.D.B.&M.

Pcl Map C2 D25 P48

104-014

126-22

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8-1-91
3-5-92

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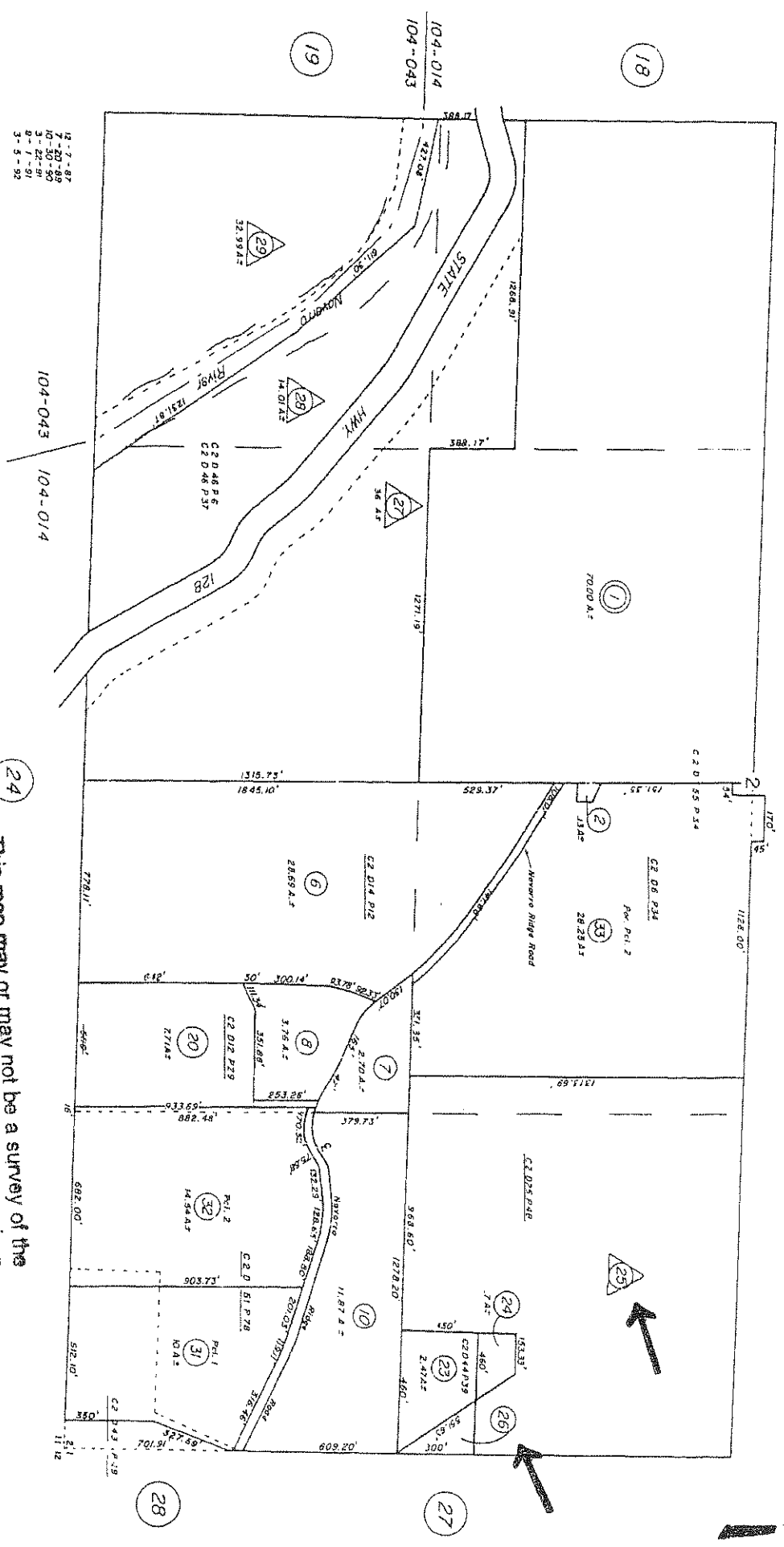
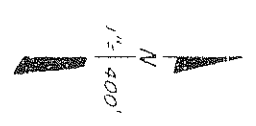
Assessor's Map
County of Mendocino, Calif
March, 1971

Portion Tract B S. 1/2 Sec. 2 T. 15 N. R. 17 W. M.D.B.M.

Pcl. Map C2 D25 P48
" " C2 D43 P48

104-014
104-043

126-23



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Assessor's Map
County of Mendocino, Calif.
March, 1971

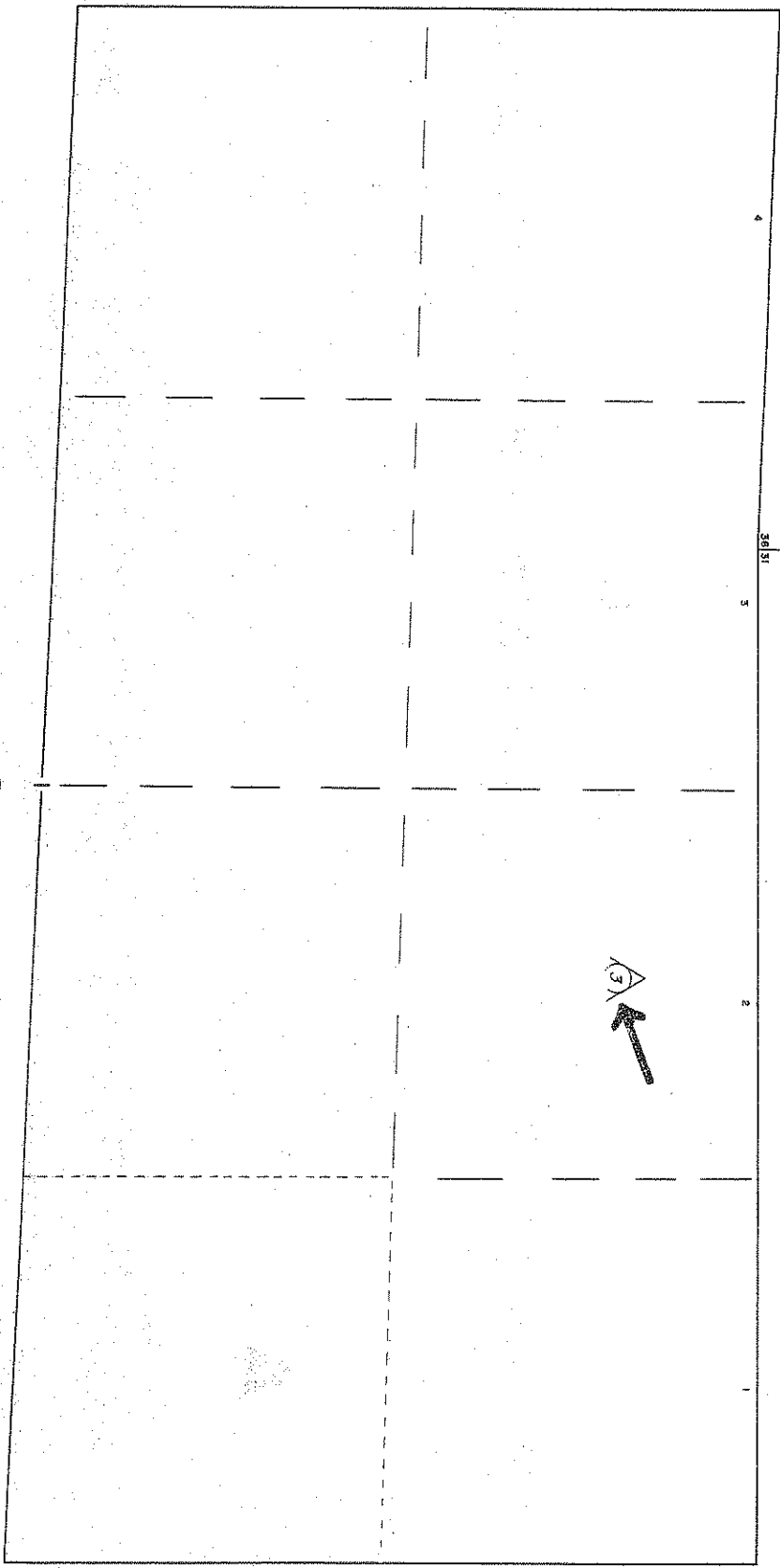
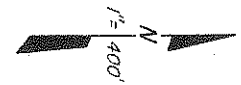
Portion Tract B

N. 1/2 Sec. 1 T.15N. R.11W. M.D.B.M.

104-014 126-26

Bk 123 43

Bk 128 01



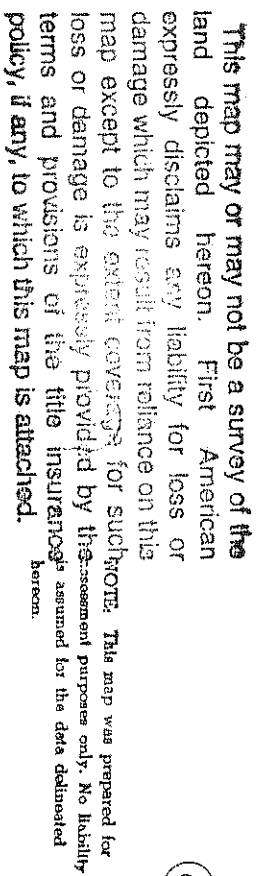
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Assessor's Map
County of Mendocino, Calif.
March, 1971

Lots 4, 5, 10, 11 Sec. 6 T. 15 N. R. 16 W. M. D. B. & B. M.

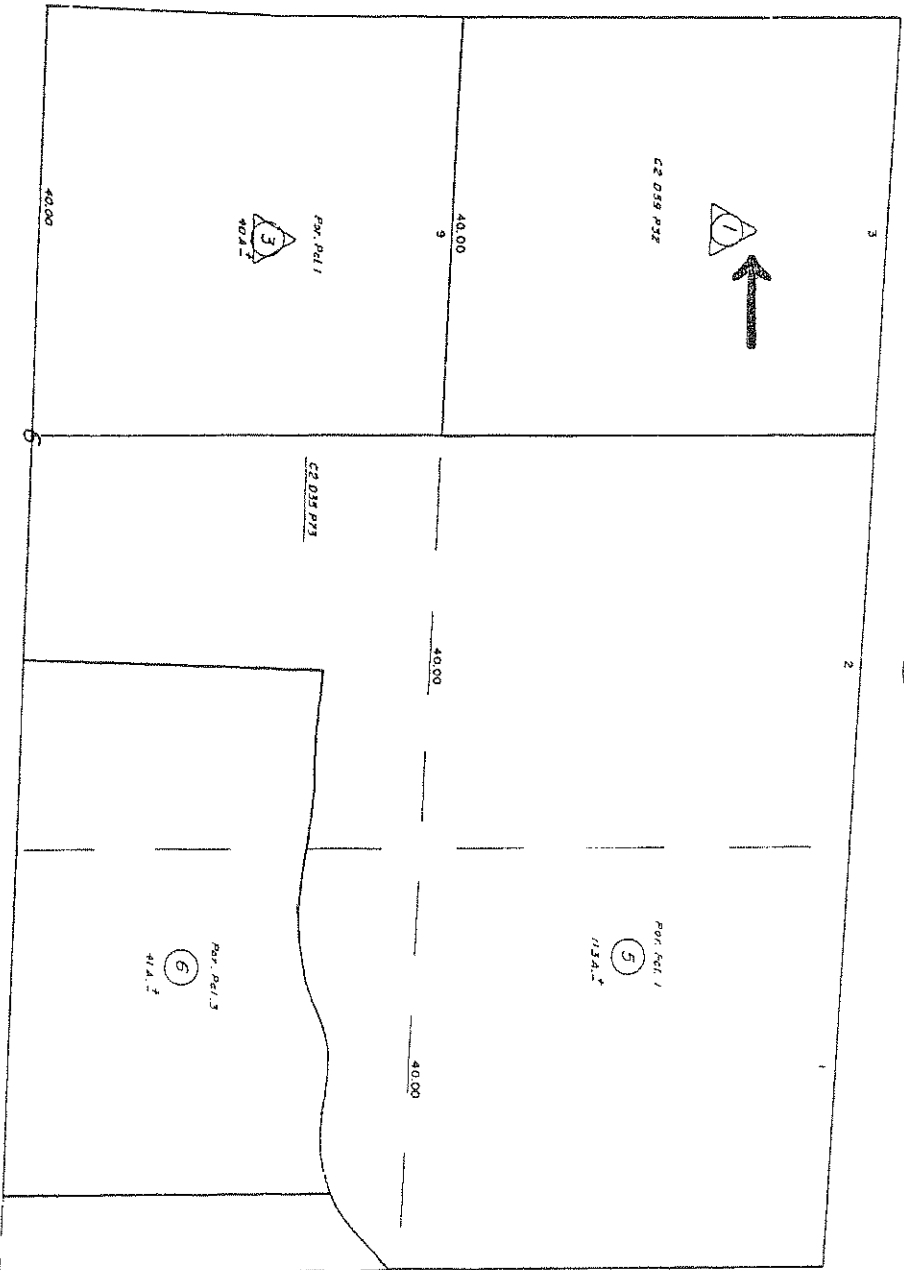
128-01



Assessor's Map
County of Mendocino, Calif.
REVISED 6-8-83

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400



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04

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Assessor's Map
County of Mendocino, Calif.
March, 1971