

HAL94SRS

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: DEED (WARRANTY)

NAME OF AGENCY OR CONTRACTOR: JESS PAUL HALLER AND GEORGIA
LEE HALL (ATTORNEY IN FACT FOR JESS PAUL HALLER)

STREET ADDRESS/PARCEL NAME/SUBDIVISION/PROJECT: 821 AND 825
STRUTHERS AVE. VACANT LAND AT SOUTH 9TH STREET AND STRUTHERS
AVE. PARCEL NO. 2945-234-00-011

CITY DEPARTMENT: PUBLIC WORKS

YEAR: 1994

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

SCHEDULE A—Continued

2. Covering the Land in the State of Colorado, County of Mesa
Described as:

PARCEL NO. 1.

Beginning at a point 874.7 feet East and South 04°00' East 323 feet from the Northwest corner of the SE $\frac{1}{4}$ of Section 23, Township 1 South, Range 1 West of the Ute Meridian, City of Grand Junction, County of Mesa, State of Colorado;
thence South 04°00' East 45 feet;
thence East 165.3 feet;
thence South 150 feet;
thence West 300 feet;
thence North 57 feet;
thence South 77°24'50" West 102.58 feet;
thence North 04°00' West to a point West of the point of beginning;
thence East 243.7 feet to the point of beginning.

PARCEL NO. 2.

Beginning at the Northeast corner of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23, Township 1 South, Range 1 West of the Ute Meridian, City of Grand Junction, County of Mesa, State of Colorado, from whence the Northwest corner of said NW $\frac{1}{4}$ SE $\frac{1}{4}$ bears South 90°00'00" West 1319.41 feet and all bearings contained herein to be relative thereto;
thence South 00°43'57" East along the East line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$ a distance of 364.11 feet to the TRUE POINT OF BEGINNING;
thence continuing South 00°43'57" East 252.87 feet;
thence South 87°04'01" West 264.35 feet;
thence North 00°27'27" East 113.72 feet;
thence North 90°00'00" East 2.34 feet;
thence North 00°00'00" East 152.16 feet;
thence North 90°00'00" East 257.52 feet to the TRUE POINT OF BEGINNING.

WARRANTY DEED

Jess Paul Haller and Georgia Lee Haller
Grantor(s)

BOOK 2097 PAGE 788

1694633 11:24 AM 09/08/94
MONIKA TODD CLK® MESA COUNTY CO
DOC EXEMPT

whose address is 9700 E. 160th Avenue
Brighton, CO 80601
*County of COLORADO, State of

,for the consideration of
THIRTY THOUSAND FIVE HUNDRED AND NO/100 (\$30,500.00)
dollars, in hand paid, hereby sell(s)

and convey(s) to City of Grand Junction, a Colorado home rule municipality

whose legal address is 250 N. 5th Street, Grand Junction

County of Mesa, and State of COLORADO 81501

the following real property in the County of Mesa, and the State of
Colorado, to wit:

See Exhibit "A" attached hereto and made a part hereof.

also known by street and number as 821 & 825 Struthers Avenue
Grand Junction, CO 81501

with all its appurtenances, and warrant(s) the title to the same, subject to
reservations contained in U. S. Patents; easements recorded in Book 701 at page 582, in Book
175 at page 78; location certificates of record.

Signed this 31st day of August, 1994

Georgia Lee Haller
Jess Paul Haller
by Georgia Lee Haller, his atty in fact
Georgia Lee Haller

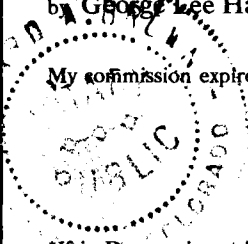
STATE OF Colorado)
County of Adams) ss.

The foregoing instrument was acknowledged before me this 31st day of August, 1994,
by Georgia Lee Haller, individually and as attorney in fact for Jess Paul Haller

My commission expires

Witness my hand and official seal.

James A. [Signature]
Notary Public



*If in Denver, insert "City and."

ISSUED BY
**TRANSAMERICA
TITLE INSURANCE COMPANY**

POLICY NUMBER
144-151798

OWNER'S POLICY OF TITLE INSURANCE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, TRANSAMERICA 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.

IN WITNESS WHEREOF, TRANSAMERICA TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

TRANSAMERICA TITLE INSURANCE COMPANY

By: *Jeanice A. Swant*
Authorized Countersignature



By:

[Signature]
President

Attest:

James J. D. Lynch, Jr.
Secretary

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.

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 the 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 the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 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, as 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 the 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 the 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.

(c) 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.

(d) 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 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 the 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 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.

SCHEDULE A

Policy No. 144-151798

Amount of Insurance \$ 30,500.00

Order No. 895475

Date of Policy September 8, 1994 at 11:25 A.M.

Sheet 1 of 4

1. Name of Insured:

CITY OF GRAND JUNCTION, A COLORADO HOME RULE MUNICIPALITY

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

IN FEE SIMPLE

3. The estate or interest referred to herein is at Date of Policy vested in:

CITY OF GRAND JUNCTION, A COLORADO HOME RULE MUNICIPALITY

SCHEDULE A—Continued

The land referred to in this policy is situated in the State of Colorado, County of
MESA, and is described as follows:

PARCEL NO. 1.

Beginning at a point 874.7 feet East and South 04°00' East 323 feet from the Northwest corner of the SE $\frac{1}{4}$ of Section 23, Township 1 South, Range 1 West of the Ute Meridian, City of Grand Junction, County of Mesa, State of Colorado; thence South 04°00' East 45 feet; thence East 165.3 feet; thence South 150 feet; thence West 300 feet; thence North 57 feet; thence South 77°24'50" West 102.58 feet; thence North 04°00' West to a point West of the point of beginning; thence East 243.7 feet to the point of beginning.

PARCEL NO. 2.

Beginning at the Northeast corner of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23, Township 1 South, Range 1 West of the Ute Meridian, City of Grand Junction, County of Mesa, State of Colorado, from whence the Northwest corner of said NW $\frac{1}{4}$ SE $\frac{1}{4}$ bears South 90°00'00" West 1319.41 feet and all bearings contained herein to be relative thereto; thence South 00°43'57" East along the East line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$ a distance of 364.11 feet to the TRUE POINT OF BEGINNING; thence continuing South 00°43'57" East 252.87 feet; thence South 87°04'01" West 264.35 feet; thence North 00°27'27" East 113.72 feet; thence North 90°00'00" East 2.34 feet; thence North 00°00'00" East 152.16 feet; thence North 90°00'00" East 257.52 feet to the TRUE POINT OF BEGINNING.

SCHEDULE B

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. 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.
5. Taxes due and payable; and any tax, special assessments, charge or lien imposed for water or sewer service, or for any other special taxing district.
6. Reservation of right of the proprietor of any penetrating vein or lode to extract and remove his ore in U. S. Patent recorded December 17, 1907 in Book 70 at page 390.
7. Easement for a sewer pipeline 5 feet in width along, across, over Beginning at the NW corner from whence the NW corner of SE $\frac{1}{4}$ Sec. 23, T1S. R1W. U. M. bears West 632 feet, thence S 4° East 323 feet for the point of beginning of said 5 foot parcel of land; thence from said point East 5 feet; thence South 4° East 159.4 feet; thence S 77°24'50" 5.1 feet; thence North 4° West 160.5 feet to the point of beginning, said pipeline to be buried in ground at least 2 $\frac{1}{2}$ feet deep and said pipeline to be kept in a sanitary condition and ground to be at all times kept level with the surface so that the grantees their heirs and assigns may use the same, as conveyed in instrument recorded January 23, 1957 in Book 701 at page 582.
8. Right of way granted to Mountain States Telephone and Telegraph Company by instrument recorded August 5, 1911 in Book 175 at page 78, in which the specific location is not defined.
9. Any and all location Certificates insofar as they affect subject property.
10. Any question, dispute or adverse claims as to any loss or gain of land as a result of any change in the river bed location by other than natural causes or alteration through accretion, relication, erosion or avulsion of the center thread, bank, channel or flow of waters in the Colorado River lying within subject land; and any question as to the location of such center thread, bed, banks or channel as a legal description monument or marker for purposes of describing or locating subject lands.
NOTE: There are no documents in the land records of the office of the Clerk and Recorder of Mesa County, Colorado accurately locating past or present locations of the center thread, bank, bed or channel of the above River or indicating any alterations of the same as from time to time may have occurred.
11. Any rights, interest or easements in favor of the riparian owners, the State of Colorado, the United States of America or the general public, which exist, have existed or are claimed to exist in and over the waters and present and past bed and banks of the Colorado River.

*CONTINUED ON NEXT SHEET

SCHEDULE B—Continued

12. Lack of a right of access from the land to any open public road, street or highway.

NOTE: This exception is necessary because it does not appear from the instruments in the office of the Clerk and Recorder of the County in which subject property is situate that any right of access exists to an open public roadway.

NOTE: FOR INFORMATION PURPOSES ONLY.

Notice of Completion of Remedial Action recorded April 11, 1988 in Book 1687 at page 746 and recorded October 11, 1988 in Book 1713 at page 959, as set forth on the sheet attached hereto.

COLORADO DEPARTMENT OF HEALTH

4210 East N Avenue
Denver, Co 80220
Phone: (303) 20-8111

RECEIVED

MAR 16 1988

Case Dept of Health
Cen...



Ray Brown
Commissioner
Thomas M. Vernon, M.D.
Executive Director

OWNER: Jess Paul Haller

ADDRESS: 821 and 825 Struthers Avenue, Grand Junction CO 81501

LOC.#: 00691/30247

14S2413 02:33 PM
APR 11 1988 E.SAWYER,CLK&REC MESA CTY,CO

SCHEDULE NO.: 2945-234-00-011

BEG 612FT E of C SEC 23 1S 1W E 20FT S
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150FT W TO A PT S 4DEG E OF PT OF BEG N
TO BEG, Mesa County, Colorado

NOTICE OF COMPLETION OF REMEDIAL ACTION

The Colorado Department of Health has completed an appraisal of the completed remedial action work and hereby certifies:

1. The remedial action work has been completed in accordance with the specifications and conditions incorporated into a contract dated July 15, 1986, between the State of Colorado and M. A. Concrete Construction, Inc.
2. A radiation survey made following completion of said contract indicates that the remedial work effectively accomplished its objective of reducing radiation exposure in the structure.
3. Increased ventilation of the crawl space is part of the corrective action and is essential in maintaining acceptable low levels of airborne radiation within the structure. Nothing should be done to interfere with or to reduce the airflow through the crawl space vents as they are presently constructed.
4. The recording of this Notice* shall be prima facie evidence of completion and acceptance of said remedial action work.

COLORADO DEPARTMENT OF HEALTH

Executive Director

Received and Accepted

Owner(s)

*in the records of the Clerk and Recorder of Mesa County, Colorado

As Built drawings and final radiation surveys are on file at the offices of the State of Colorado Department of Health.

COLORADO DEPARTMENT OF HEALTH

4210 East 11th Avenue
Denver, Colorado 80220
Phone (303) 320-8333

RECEIVED

SEP 12 1988



Color Dept of Health
Grand Int Office

Ray Roman
Governor

Thomas M. Vroman, M.D.
Executive Director

August 29, 1988

OWNER: Jess Paul Haller

1498076

01:16 PM

OCT 11, 1988 E.SAUNTER, CLK&REC MESA CTY, CO

ADDRESS: 825 Struthers Avenue, Grand Junction CO 81501 LOC.#: 30247

SCHEDULE NO.: 2945-234-00-011

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TO BEG, Mesa County, Colorado

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2. A radiation survey made following completion of said contract indicates that the remedial work effectively accomplished its objective of reducing radiation exposure in the structure.
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COLORADO DEPARTMENT OF HEALTH

Executive Director

Received and Accepted

Owner(s)

*in the records of the Clerk and Recorder of Mesa County, Colorado

As Built drawings and final radiation surveys are on file at the offices of the State of Colorado Department of Health.

(Continued)

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 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 be addressed to TRANSAMERICA TITLE INSURANCE COMPANY, 44 Montgomery Street, Suite 3450, San Francisco, CA 94104.

American Land Title Association
Owner's Policy
(Rev. 10-21-87)

**POLICY
OF
TITLE
INSURANCE**

Issued by

**TRANSAMERICA
TITLE INSURANCE
COMPANY**

HOME OFFICE
44 Montgomery Street
Suite 3450
San Francisco, CA 94104

B-1141-36