

## PROPERTY EXCHANGE AGREEMENT

This Property Exchange Agreement is effective this \_\_\_\_ day of \_\_\_\_\_, 2015, between the City of Star, Idaho, a municipal corporation (the "City"); DBSI Pristine Meadows, LLC, an Idaho limited liability company ("DBSI Pristine"); Star North, LLC, an Idaho limited liability company ("Star North"); and Joint School District No. 2, an Idaho school district ("School District").

### RECITALS:

A. The School District and DBSI Pristine have entered into that certain Agreement to Donate Real Property and for Reimbursement of Development Services dated August 19, 2008, wherein DBSI Pristine agreed to donate real property described in Exhibit A attached hereto (the "DBSI Donated Property") to the School District upon the terms contained therein.

B. DBSI Pristine and Kastera Pavilion Commons, LLC (collectively, the "DBSI Developer") and the City entered into that certain Amended and Restated Impact Fee Credit Agreement dated November 2, 2012, where, in part, the City agreed to grant certain impact fee credits to the DBSI Developer in exchange for the DBSI Developer's donation of the DBSI Donated Property to the School District.

C. The DBSI Donated Property is situated in close proximity to the Star Elementary School on Star Road; therefore, the construction of another elementary school on the DBSI Donated Property would not be in the best interests of the School District.

D. The City desires to acquire the DBSI Donated Property to build a City park.

E. The City acquired certain rights to real property in Roselands Subdivision described in Exhibit B attached hereto (the "Roselands Donated Property") pursuant to that certain First Amended and Restated Development Agreement dated December 10, 2010. The School District desires to acquire the Roselands Donated Property for the future construction of an elementary school.

F. Star North owns the Roselands Donated Property. The City and Star North have entered into that certain Second Amended and Restated Development Agreement dated July 9, 2013, wherein, among other things, the City has agreed to grant certain impact fee credits to Star North in exchange for Star North's agreement to convey the Roselands Donated Property to the School District.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, and in consideration of the recitals above, which are incorporated herein, and the premises and the mutual representations, covenants, undertakings and agreements hereinafter contained, the parties agree as follows:

### AGREEMENT:

1. **Transfer of DBSI Donated Property to City.** On the Closing Date set forth herein, DBSI Pristine shall execute and deliver to the City, a Special Warranty Deed for the DBSI

Donated Property, free of all encumbrances and encroachments, except for the exceptions contained in the commitment for title insurance approved by the City as set forth in Section 4.1 herein. The transfer of the DBSI Donated Property shall include all water rights and/or irrigation shares associated with or located upon the transferred property.

**2. Transfer of Roselands Donated Property to School District.** At the Closing set forth herein, Star North shall execute and deliver to the School District a Special Warranty Deed for the Roselands Donated Property, free of all encumbrances and encroachments, except for the exceptions contained in the commitment for title insurance approved by the School District as set forth in Section 4.2 herein. The transfer of the Roselands Donated Property shall include all water rights and/or irrigation shares associated with or located upon the transferred property, including the transfer of 0.71 shares of North Star's Farmers Union Ditch Company shares to School District.

**3. Closing.** Provided all other conditions precedent as set forth in this Agreement have been satisfied, the closing ("Closing") shall occur at the office of the NexTitle ("Closing Agent") in their Meridian, Idaho office no later than 30 days after School District's receipt of an environmental assessment of the Roselands Donated Property which is satisfactory to School District, or at such other time as the parties shall mutually agree. At the Closing, DBSI Pristine shall convey the DBSI Donated Property to the City and Star North shall convey the Roselands Donated Property to the School District.

**4. Title Insurance.**

4.1 Title Commitment for DBSI Donated Property. Attached hereto as Exhibit C is a copy of the Commitment for Title Insurance issued by Westcor Land Title Insurance Company ("Title Company") for the DBSI Donated Property. Execution of this Agreement evidences the City's acceptance of the terms and conditions of title insurance for the DBSI Donated Property as set forth in Exhibit C.

4.2 Title Commitment for Roselands Donated Property. Attached hereto as Exhibit D is a copy of the Commitment for Title Insurance issued by the Title Company for the Roselands Donated Property. Subject to the removal of Special Exceptions numbers 9, 19, 24, 27 and 28 as contained in Schedule B II of said Commitment from the Title Insurance policy to be issued to the School District, the execution of this Agreement evidences the School District's acceptance of the terms and conditions of title insurance for the Roselands Donated Property as set forth in Exhibit D.

4.3 Purchase of Title Insurance. The City and the School District shall be responsible for the purchase of a title insurance policy in the acquisition of their respective parcels of property.

**5. Representations, Warranties, and Covenants by DBSI Pristine.**

5.1 Authority to Make Transfer. The execution, delivery, and consummation of this Agreement by DBSI Pristine has been duly approved in accordance with applicable law, and any documents, instruments and court orders governing DBSI Pristine. The execution, delivery, and consummation of this Agreement by DBSI Pristine will not, with the passage of time, the giving of notice, or otherwise, cause DBSI Pristine to be in violation or breach of any law, regulation,

court order, contract, agreement, or other restriction to or by which DBSI Pristine or the DBSI Donated Property is subject or bound.

5.2 Consents. No approval or consent of any person, firm, or other entity is required to be obtained by DBSI Pristine to permit DBSI Pristine to consummate the transactions contemplated by this Agreement.

5.3 Property Ownership. DBSI Pristine owns and possesses all right, title, and interest in and to the DBSI Donated Property and the DBSI Donated Property shall be free and clear of all covenants, conditions, easements, liens, and encumbrances as of Closing except for those printed exceptions contained in the commitment for title insurance as set forth in Exhibit C attached hereto.

5.4 Material Misstatement or Omissions. To the best of DBSI Pristine's knowledge, no representation or warranty made by DBSI Pristine in this Agreement or in any document or agreement furnished in connection with this Agreement contains or will contain any untrue statement of material fact, or omits or will omit to state a material fact necessary to make the statements not misleading.

5.5 No Litigation. There is no equitable, legal, or administrative suit, action, arbitration, or other proceeding pending or threatened against or affecting DBSI Pristine or the DBSI Donated Property.

5.6 Conduct Pending Closing. From the effective date of this Agreement to Closing, DBSI Pristine shall (i) maintain the DBSI Donated Property in good repair, and (ii) perform all acts necessary to insure that the representations, warranties, and covenants of DBSI Pristine shall be true, complete, and accurate in all respects on and as of the date of Closing to the same force and effect as if made at Closing.

## **6. Representations, Warranties, and Covenants by Star North.**

6.1 Authority to Make Transfer. The execution, delivery, and consummation of this Agreement by Star North has been duly approved in accordance with applicable law, and any documents, instruments and court orders governing Star North. The execution, delivery, and consummation of this Agreement by Star North will not, with the passage of time, the giving of notice, or otherwise, cause Star North to be in violation or breach of any law, regulation, court order, contract, agreement, or other restriction to or by which Star North or the Roselands Donated Property is subject or bound.

6.2 Consents. No approval or consent of any person, firm, or other entity is required to be obtained by the Star North to permit Star North to consummate the transactions contemplated by this Agreement.

6.3 Property Ownership. Star North owns and possesses all right, title, and interest in and to the Roselands Donated Property and the Roselands Donated Property shall be free and clear of all covenants, conditions, easements, liens, and encumbrances as of Closing except for those printed exceptions contained in the commitment for title insurance as set forth in Exhibit D attached hereto which are acceptable to School District, as identified in Section 4.2 above.

6.4 Material Misstatement or Omissions. To the best of Star North's knowledge, no representation or warranty made by Star North in this Agreement or in any document or agreement furnished in connection with this Agreement contains or will contain any untrue statement of material fact, or omits or will omit to state a material fact necessary to make the statements not misleading.

6.5 No Litigation. There is no equitable, legal, or administrative suit, action, arbitration, or other proceeding pending or threatened against or affecting Star North or the Roselands Donated Property.

6.6 Conduct Pending Closing. From the effective date of this Agreement to Closing, Star North shall (i) maintain the Roselands Donated Property in good repair, and (ii) perform all acts necessary to insure that the representations, warranties, and covenants of Star North shall be true, complete, and accurate in all respects on and as of the date of Closing to the same force and effect as if made at Closing.

6.7 Hazardous Substances.

6.7.1 Definitions. As used in this Agreement, the terms "hazardous substance," "release," and "removal" shall have the definition and meaning as set forth in Title 42 U.S. C. § 9601 (or the corresponding provision of any future law); provided, however that the term "hazardous substance" shall include "hazardous waste" as defined in Title 42 U.S.C. § 6903 (or the corresponding provision of any future law) and "petroleum" as defined in Title 42 U.S.C. § 6991 (or the corresponding provision of any future law). The term "superfund" shall mean the Comprehensive Environmental Response, Compensation and Liability Act, Title 42 U.S.C. § 9601, et seq. (or the corresponding provision of any future law) and any similar statute, ordinance, rule or regulation of any state or local legislature, agency or body. The term "underground storage tank" shall have the definition and meaning as set forth in Title 42 U.S.C. § 6991 (or the corresponding provision of any future law).

6.7.2 Star North represents and warrants to, and covenants with, School District that:

- (1) To the best of Star North's knowledge, the Roselands Donated Property is not contaminated with any hazardous substance;
- (2) Star North has not caused and will not cause the release of any hazardous substances on the Roselands Donated Property;
- (3) To the best of Star North's knowledge, there has never occurred a release of hazardous substances on the Roselands Donated Property;
- (4) To the best of Star North's knowledge, Roselands Donated Property is not subject to any pending, threatened, or likely federal, state, or local "superfund" lien, proceedings, claim, liability, or action for the cleanup, removal, or remediation of

any hazardous substance from the Roselands Donated Property;

- (5) To the best of Star North's knowledge, no other real property owned or controlled by Star North or in which Star North has any legal, equitable, or other interest is subject to any pending, threatened, or likely federal, state, or local "superfund" lien, proceedings, claim, liability, or action for the cleanup, removal, or remediation of any hazardous substance from such property;
- (6) To the best of Star North's knowledge, there is no asbestos on the Roselands Donated Property;
- (7) To the best of Star North's knowledge, there is no underground storage tank on the Roselands Donated Property;
- (8) To the best of Star North's knowledge, by acquiring the Roselands Donated Property, the School District will not incur or be subject to any "superfund" liability for the cleanup, removal, or remediation of any hazardous substance from the Roselands Donated Property;
- (9) To the best of the Star North's knowledge, by acquiring the Roselands Donated Property, the School District will not incur or be subject to any liability, cost, or expense for the removal of any asbestos or underground storage tank from the Roselands Donated Property; and
- (10) To the best of Star North's knowledge, the Roselands Donated Property and the uses conducted on the Roselands Donated Property are in compliance with all applicable environmental laws, codes, and regulations, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

7. **Prorated Items.** The City shall pay the real property taxes and irrigation assessments on the DBSI Donated Property for the year 2014 through Closing. All other property taxes and assessments shall be prorated as of the Closing.

**8. Conditions Precedent to Closing.**

8.1 **Conditions Precedent to Obligations of the City and School District.** The obligations of the City and the School District under this Agreement are subject to the satisfaction of the following conditions:

8.1.1 Representations and Warranties True. The representations and warranties of DBSI Pristine and Star North are true, complete, and accurate as of the date of this Agreement and as of the date of Closing as if made as of such date.

8.1.2 Covenants Performed. DBSI Pristine and Star North have performed all obligations, covenants, and agreements to be performed prior to Closing as set forth in this Agreement.

8.1.3 Roselands Donated Property not Subject to CC&R's. School District's acceptance of the this Agreement is contingent upon the Roselands Donated Property being excluded from the covenants, conditions and restrictions for Roselands Subdivision No. 1 and not part of the Roselands Homeowners Association, Inc.

8.1.4 Title Policy. The Title Company is prepared to issue policies of title insurance in accordance with the provisions of Section 4.1 and 4.2 herein.

8.1.5 Environmental Assessment. School District's acceptance of this Agreement is contingent upon School District's receipt of an environmental assessment of the Roselands Donated Property which is satisfactory to School District, which assessment shall be at School District's sole initial expense. Star North agrees to allow School District and School District's agent's access to the Roselands Donated Property to perform such assessment. School District agrees to furnish Star North with a copy of any written assessment so obtained.

8.1.6 Water Rights. School District's receipt of 0.71 shares of Farmers Union Ditch Company shares from North Star.

8.1.7 Irrigation Easement. At no cost to School District (other than \$650.00 for preparation of the legal description) nor North Star, School District's receipt of signed easements in recordable form from Star North and Canyon Ranches, L.C., a Utah limited liability company, which collectively shall provide the Roselands Donated Property with a mutually-agreeable route for the delivery of gravity irrigation water from the Farmers Union Ditch Company canal located to the north of the Roselands Donated Property.

8.1.8 Execution and Delivery of Documents. DBSI Pristine and Star North (and others where required) shall have executed and delivered to the Closing Agent the Special Warranty Deeds.

8.2 Waiver of Conditions/Termination of Agreement. The City or the School district may waive, as a condition precedent to Closing, compliance with any of the conditions set forth in Section 8.1, above. However, (a) unless the conditions set forth in Sections 8.1.5 (Environmental Assessment) and 8.1.7 (Irrigation Easement) have both been satisfied or waived by June 30, 2015, this Agreement shall thereupon terminate without further writing or act of the parties, and (b) waiver of compliance for purposes of Closing shall not waive or diminish any right of the City or the School District to recover damages or enforce other available rights by reason of any parties' noncompliance with any representation, warranty, or covenant of such party as set forth in this Agreement.

**9. Satisfaction of Previous Agreements.** DBSI Pristine and School District entered into that Agreement to Donate Real Property and for reimbursement of Development Services dated August 19, 2008 and evidenced by a Memorandum of Agreement of even date and recorded as document 108095801 with the Ada County Recorder ("Donation Agreement"). School District acknowledges and agrees that this Agreement satisfies any and all obligations of DBSI Pristine set forth in the Donation Agreement as well as any similar agreements with any other entity directly affiliated with DBSI Pristine or controlled by the DBSI Real Estate Liquidating Trustee. DBSI Pristine acknowledges and agrees that this Agreement satisfies any and all obligations of School District set forth in the Donation Agreement as well as any similar agreements with any other entity directly affiliated with DBSI Pristine or controlled by the DBSI Real Estate Liquidating Trustee.

**10. General Provisions.**

10.1 Indemnifications and Offsets. Star North agrees to defend, indemnify, and hold School District harmless from any and all damages, liabilities, or expense sustained directly by School District (including, without limitation, attorney fees and costs) resulting from the breach of, or misstatement in, any representation, warranty, or covenant of Star North.

10.2 Notices. All notices, claims, requests, and other communications ("Notices") under this Agreement (i) shall be in writing, and (ii) shall be addressed or delivered to the relevant address set forth below, or at such other address as shall be given in writing by a party to the other. Notices complying with the provisions of this Section shall be deemed to have been delivered (i) upon the date of delivery if delivered in person, or (ii) on the date of the postmark on the return receipt if deposited in the United States mail, with postage prepaid for certified or registered mail, return receipt requested.

To City: City of Star  
Attn: Mayor  
P.O. Box 130  
Star, ID 83669

To DBSI Pristine: DBSI Pristine  
c/o DBSI Real Estate Liquidating Trust  
Attn: Matt McKinlay  
12426 W. Explorer Drive, Suite 100  
Boise, Idaho 83713

With a copy to: Givens Pursley LLP  
Attn: Jeff Warr  
601 W. Bannock St.  
Boise, ID 83702

To Star North: Donald Newell  
P.O. Box 1939  
Eagle, ID 83616

To School District: Superintendent  
Joint School District No. 2  
1303 E. Central Dr.  
Meridian, ID 83642

With a copy to: Foley Freeman PLLC  
Attn: Mark S. Freeman  
P.O. Box 10  
Meridian, ID 83680

10.3 Attorney Fees and Costs. The Parties agree that if legal action is commenced to enforce any term of this Agreement, the prevailing party shall be entitled to an award of reasonable attorney fees and costs.

10.4 Governing Law, Jurisdictional, and Venue. This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho. The parties agree that the courts of Idaho shall have exclusive jurisdiction and agree that Ada County is the proper venue.

10.5 Time of the Essence. Time is of the essence with respect to the obligations to be performed under this Agreement.

10.6 Rights Cumulative. Except as expressly provided in this Agreement, and to the extent permitted by law, any remedies described in this Agreement are cumulative and not alternative to any other remedies available at law or in equity.

10.7 Nonwaiver of Remedies. The failure or neglect of a party to enforce any remedy available by reason of the failure of the other party to observe or perform a term or condition set forth in this Agreement shall not constitute a waiver of such term or condition. A waiver by a party (i) shall not affect any term or condition other than the one specified in such waiver, and (ii) shall waive a specified term or condition only for the time and in a manner specifically stated in the waiver.

10.8 Entire Agreement. All Exhibits to this Agreement constitute a part of this Agreement. This Agreement, together with the accompanying Exhibits, constitutes the entire agreement among the parties and supersedes all prior memoranda, correspondence, conversations, and negotiations between these parties regarding the exchange of the DBSI Donated Property and the Roselands Donated Property.

10.9 Severability. The invalidity of any portion of this Agreement, as determined by a court of competent jurisdiction, shall not affect the validity of any other portion of this Agreement.

10.10 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instruments.

10.11 Survival of Representations, Warranties, and Covenants. All representations, warranties, and covenants set forth in this Agreement shall survive the Closing and shall survive the recording of the Warranty Deeds.



10.12 Successors and Assigns. Subject to any express provisions in this Agreement regarding restrictions on transfer or assignments, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns, heirs, and personal representatives.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the parties hereto have caused this Property Exchange Agreement to be executed as of the day and year first above written.

CITY OF STAR

\_\_\_\_\_  
Nathan Mitchell, Mayor

ATTEST:

\_\_\_\_\_  
Cathy Ward, City Clerk

STATE OF IDAHO                    )  
  : ss  
County of Ada                    )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2015, before me, a notary public in and for said state, personally appeared Nathan Mitchell and Cathy Ward, known to me to be the Mayor and City Clerk of the City of Star, Idaho, who executed the within instrument on behalf of said municipal corporation, and acknowledged to me that the City of Star executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public for \_\_\_\_\_  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

Star North, LLC

By \_\_\_\_\_  
Donald Newall, Manager

STATE OF IDAHO                    )  
  : ss  
County of Ada                    )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2015, before me, a notary public, personally appeared Donald Newall, known or identified to me to be the manager of the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and acknowledged to me that such limited liability company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for \_\_\_\_\_  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

DBSI Pristine Meadows, LLC

\_\_\_\_\_  
By: Conrad Myers, Trustee of the DBSI  
Real Estate Liquidating Trust  
Its Sole Member

STATE OF IDAHO                    )  
  : ss  
County of Ada                    )

On this \_\_\_\_ day of \_\_\_\_\_, 2015, before me the undersigned Notary Public in and for said State, personally appeared Conrad Myers known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he subscribed the same as the Trustee of DBSI Real Estate Liquidating Trust, which is the sole member of DBSI Pristine Meadows, LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

\_\_\_\_\_  
Notary Public for \_\_\_\_\_  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

Joint School District No. 2

\_\_\_\_\_  
By: Dr. Linda Clark, Superintendent

STATE OF IDAHO                    )  
  : ss  
County of Ada                    )

On this \_\_\_\_ day of \_\_\_\_\_, 2015, before me the undersigned Notary Public in and for said State, personally appeared Dr. Linda Clark, known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she subscribed the same as the Superintendent of Joint School District No. 2.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

\_\_\_\_\_  
Notary Public for \_\_\_\_\_  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

## Exhibit "A"

(Legal Description)

A parcel of land located in the Northeast quarter of Section 7, Township 4 North, Range 1 West, Boise Meridian, Star, Ada County, Idaho more particularly described as follows:

Commencing at the North quarter corner of said Section 7 from which the center quarter corner of said Section 7 bears  
South 00°31'34" West, 2649.18 feet; thence  
along the North-South centerline of said Section 7  
South 00°31'34" West, 1073.14 feet to a 5/8 inch iron pin; thence  
leaving said North-South centerline  
South 89°25'31" East, 1319.98 feet to a 5/8 inch iron pin on the West boundary line of Meadowbrook Subdivision  
as filed in Book 88 of Plats at Pages 10,204 and 10,205, records of Ada County, Idaho; thence  
along said West boundary line  
South 00°31'54" West, 272.31 feet to a 5/8" iron pin marking the Southwest corner of said Meadowbrook  
Subdivision; thence  
along the South boundary line of said Meadowbrook Subdivision  
South 88°31'12" East, 459.88 feet to a 5/8 inch iron pin marking the REAL POINT OF BEGINNING; thence  
continuing  
along said South boundary line  
South 88°31'12" East, 435.24 feet to the Northwest corner of Rhinoceros Bay Subdivision as filed in Book 84 of  
Plats at Pages 11,441 through 11,443, records of Ada County, Idaho; thence  
along the West boundary line of said Rhinoceros Bay Subdivision the following 3 courses:  
South 00°00'00" West, 24.64 feet to a 5/8 inch iron pin; thence  
South 06°35'46" East, 129.58 feet to a 5/8 inch iron pin; thence  
South 00°56'52" West, 360.40 feet to a 5/8 inch iron pin on the North boundary line of Pristine Meadows  
Subdivision No. 1 as filed in Book 95 of Plats at Pages 11,741 through 11,744, records of Ada County, Idaho, said  
point also being the beginning of a non-tangent curve to the left; thence  
along said North boundary line the following 2 courses:  
along said curve 6.27 feet, said curve having a radius of 395.00 feet, a central angle of 00°54'33" and a long chord  
of 6.27 feet which bears South 83°06'31" West to a 5/8 inch iron pin; thence  
South 82°37'17" West, 133.15 feet to a 5/8 inch iron pin marking the Northeast corner of Pristine Meadows  
Subdivision No. 2 as filed in Book 98 of Plats at Pages 12,362 through 12,366, records of Ada County, Idaho;  
thence  
along the North boundary line of said Pristine Meadows Subdivision No. 2 the following 3 courses: thence  
South 84°15'02" West, 50.00 feet to a 5/8 inch iron pin; thence  
South 86°04'08" West, 528.68 feet to a 5/8 inch iron pin marking the beginning of a curve to the right; thence  
along said curve 41.72 feet, said curve having a radius of 445.00 feet, a central angle of 05°22'16" and a long  
chord of 41.70 feet which bears South 88°45'16" West to a 5/8 inch iron pin; thence  
along the arc of a curve to the right 22.99 feet, said curve having a radius of 75.00 feet, a central angle of  
17°33'49" and a long chord of 22.90 feet which bears North 20°31'32" East to a 5/8 inch iron pin; thence  
North 29°18'26" East, 53.92 feet to a 5/8 inch iron pin marking the beginning of a curve to the left; thence  
along said curve 63.70 feet, said curve having a radius of 125.00 feet, a central angle of 29°11'47" and a long  
chord of 63.01 feet which bears North 14°42'33" East to a 5/8 inch iron pin marking the point of tangency; thence  
North 00°06'39" East, 284.45 feet to a 5/8 inch iron pin marking the beginning of a curve to the right; thence

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American Land Title Association Commitment  
Schedule A



AMERICAN  
LAND TITLE  
ASSOCIATION



NXID-0113587

along said curve 114.87 feet, said curve having a radius of 75.00 feet, a central angle of  $87^{\circ}45'17''$  and a long chord of 103.97 feet which bears North  $43^{\circ}59'18''$  East to a 5/8 inch iron pin marking the point of tangency; thence North  $87^{\circ}51'56''$  East, 117.66 feet to a 5/8 inch iron pin marking the beginning of a curve to the left; thence along said curve 114.32 feet, said curve having a radius of 75.00 feet, a central angle of  $87^{\circ}19'49''$  and a long chord of 103.57 feet which bears North  $44^{\circ}12'01''$  East to a 5/8 inch iron pin marking the point of tangency; thence North  $00^{\circ}32'07''$  East, 17.68 feet to the REAL POINT OF BEGINNING.



Lot 1 in Block 2 of Roselands Subdivision No. 1, according to the official plat thereof, filed in Book 105 of Plats at Pages 14322 through 14324, official records of Ada County, Idaho.

**EXHIBIT**

B

tabbles®





## COMMITMENT FOR TITLE INSURANCE

Issued by

### WESTCOR LAND TITLE INSURANCE COMPANY

Westcor Land Title Insurance Company, a California corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six (6) months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, Westcor Land Title Insurance Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

Issued By:

WESTCOR LAND TITLE INSURANCE COMPANY

NEXTITLE, A TITLE AND ESCROW CO.  
1880 S Cobalt Point Way, Suite 100  
Meridian, ID 83642  
208-433-1021



By:

*Mary O'Donnell*

President

Attest:

*Patricia W. Power*

Secretary

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AMERICAN  
LAND TITLE  
ASSOCIATION





**ALTA COMMITMENT FORM  
COMMITMENT FOR TITLE INSURANCE**

Issued By  
**WESTCOR LAND TITLE INSURANCE COMPANY**

**CONDITIONS**

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at [www.alta.org](http://www.alta.org).

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AMERICAN  
LAND TITLE  
ASSOCIATION





# COMMITMENT FOR TITLE INSURANCE

Order Number: NXID-0113587

## SCHEDULE A

1. Effective Date: August 15, 2013 at 7:30AM

2. Policy or Policies to be issued:

(a) ALTA Owner's Policy, (6-17-06) Standard Coverage

Amount: TBD  
Premium: \$0.00

Proposed Insured:

(b) ALTA Loan Policy, (6-17-06) Extended Coverage

Amount: TBD  
Premium: \$0.00

Proposed Insured:

3. The estate or interest in the land described or referred to in this Commitment is Fee Simple

4. Title to the Fee Simple estate or interest in the land is at the Effective Date vested in:

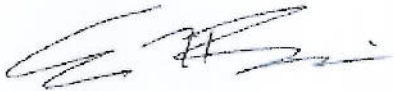
DBSI PRISTINE MEADOWS LLC, an Idaho Limited Liability Company

5. The land referred to in this Commitment is described as follows:

See Exhibit "A" Attached Hereto

Date: August 26, 2013

Issued By:  
NEXTITLE, A TITLE & ESCROW COMPANY



COUNTERSIGNED: Eric. T. Bloomquist  
Authorized Officer or Agent

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## Exhibit "A"

(Legal Description)

A parcel of land located in the Northeast quarter of Section 7, Township 4 North, Range 1 West, Boise Meridian, Star, Ada County, Idaho more particularly described as follows:

Commencing at the North quarter corner of said Section 7 from which the center quarter corner of said Section 7 bears  
South 00°31'34" West, 2649.18 feet; thence  
along the North-South centerline of said Section 7  
South 00°31'34" West, 1073.14 feet to a 5/8 inch iron pin; thence  
leaving said North-South centerline  
South 89°25'31" East, 1319.98 feet to a 5/8 inch iron pin on the West boundary line of Meadowbrook Subdivision as filed in Book 88 of Plats at Pages 10,204 and 10,205, records of Ada County, Idaho; thence  
along said West boundary line  
South 00°31'54" West, 272.31 feet to a 5/8" iron pin marking the Southwest corner of said Meadowbrook Subdivision; thence  
along the South boundary line of said Meadowbrook Subdivision  
South 88°31'12" East, 459.88 feet to a 5/8 inch iron pin marking the REAL POINT OF BEGINNING; thence  
continuing  
along said South boundary line  
South 88°31'12" East, 435.24 feet to the Northwest corner of Rhinoceros Bay Subdivision as filed in Book 84 of Plats at Pages 11,441 through 11,443, records of Ada County, Idaho; thence  
along the West boundary line of said Rhinoceros Bay Subdivision the following 3 courses:  
South 00°00'00" West, 24.64 feet to a 5/8 inch iron pin; thence  
South 06°35'46" East, 129.58 feet to a 5/8 inch iron pin; thence  
South 00°56'52" West, 360.40 feet to a 5/8 inch iron pin on the North boundary line of Pristine Meadows Subdivision No. 1 as filed in Book 95 of Plats at Pages 11,741 through 11,744, records of Ada County, Idaho, said point also being the beginning of a non-tangent curve to the left; thence  
along said North boundary line the following 2 courses:  
along said curve 6.27 feet, said curve having a radius of 395.00 feet, a central angle of 00°54'33" and a long chord of 6.27 feet which bears South 83°06'31" West to a 5/8 inch iron pin; thence  
South 82°37'17" West, 133.15 feet to a 5/8 inch iron pin marking the Northeast corner of Pristine Meadows Subdivision No. 2 as filed in Book 98 of Plats at Pages 12,362 through 12,366, records of Ada County, Idaho; thence  
along the North boundary line of said Pristine Meadows Subdivision No. 2 the following 3 courses: thence  
South 84°15'02" West, 50.00 feet to a 5/8 inch iron pin; thence  
South 86°04'08" West, 528.68 feet to a 5/8 inch iron pin marking the beginning of a curve to the right; thence  
along said curve 41.72 feet, said curve having a radius of 445.00 feet, a central angle of 05°22'16" and a long chord of 41.70 feet which bears South 88°45'16" West to a 5/8 inch iron pin; thence  
along the arc of a curve to the right 22.99 feet, said curve having a radius of 75.00 feet, a central angle of 17°33'49" and a long chord of 22.90 feet which bears North 20°31'32" East to a 5/8 inch iron pin; thence  
North 29°18'26" East, 53.92 feet to a 5/8 inch iron pin marking the beginning of a curve to the left; thence  
along said curve 63.70 feet, said curve having a radius of 125.00 feet, a central angle of 29°11'47" and a long chord of 63.01 feet which bears North 14°42'33" East to a 5/8 inch iron pin marking the point of tangency; thence  
North 00°06'39" East, 284.45 feet to a 5/8 inch iron pin marking the beginning of a curve to the right; thence

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American Land Title Association Commitment  
Schedule A

AMERICAN  
LAND TITLE  
ASSOCIATION



NXID-0113587



along said curve 114.87 feet, said curve having a radius of 75.00 feet, a central angle of  $87^{\circ}45'17''$  and a long chord of 103.97 feet which bears North  $43^{\circ}59'18''$  East to a 5/8 inch iron pin marking the point of tangency; thence North  $87^{\circ}51'56''$  East, 117.66 feet to a 5/8 inch iron pin marking the beginning of a curve to the left; thence along said curve 114.32 feet, said curve having a radius of 75.00 feet, a central angle of  $87^{\circ}19'49''$  and a long chord of 103.57 feet which bears North  $44^{\circ}12'01''$  East to a 5/8 inch iron pin marking the point of tangency; thence North  $00^{\circ}32'07''$  East, 17.68 feet to the REAL POINT OF BEGINNING.

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American Land Title Association Commitment  
Schedule A

AMERICAN  
LAND TITLE  
ASSOCIATION



NXID-0113587

## SCHEDULE BI

Order Number: NXID-0113587

### Requirements:

The following are the requirements to be complied with:

1. Pay the full consideration to, or for the account of, the grantors or mortgagors.
2. Pay all taxes, charges and assessments levied against subject premises, which are due and payable.
3. Satisfactory evidence should be had that improvements and/or repairs or alterations thereto are completed; that contractor, sub-contractors, labor or materialmen are all paid; and have released of record all liens or notice of intent to perfect a lien for labor or material.
4. Evidence satisfactory to the Company creating the estate or interest to be insured herein must be submitted for our review prior to closing. The Company herein reserves the right to impose additional requirements and/or exceptions upon disclosure of same.
5. Delivery to and approval by the company of documentation authorizing transaction and setting forth parties authorized to execute documents on behalf of DBSI Pristine Meadows, LLC, an Idaho limited liability company.
6. The mortgage (deed of trust) we are asked to insure should be placed of record and this commitment is subject to such further matters as may appear at that time.
7. In order for an Extended Lender's Policy to be issued Insuring against questions of unrecorded labor and material liens, and in order to remove special Exception No.11 of Schedule B at policy, the following requirements must be met and submitted to the Company:
  - 1) An Indemnity Agreement signed by the Owner and/or Builder.
  - 2) Satisfactory evidence of payment for all subcontractors and/or suppliers of labor and/or materials furnished prior to the recording of the deed of trust to be insured herein.

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## SCHEDULE B II

Order Number: NXID-0113587

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company, (or unless the policy to be issued is an ALTA Homeowner's Policy in which case only item 8 is relevant and items 1 – 7 are expressly deemed inapplicable to the covered risks of said ALTA Homeowner's Policy):

### GENERAL EXCEPTIONS

1. Any facts, rights, interest, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession, or claiming to be in possession, thereof.
2. Easements, liens, encumbrances, or claims thereof which are not shown by the public records.
3. Any encroachment, encumbrances, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land, and that is not shown by the Public Records.
4. Any lien, or right to a lien, imposed by the law for services, labor, or material heretofore or hereafter furnished, which lien, or right to a lien, is not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) Indian treaty or aboriginal rights, including, but not limited to, easements or equitable servitudes; or, (d) water rights, claims or title to water, whether or not the matters excepted under (a), (b), (c) or (d) are shown by the public records.
6. Taxes or assessments which are not now payable or which are not shown as existing liens by the records of any taxing authority that levies taxes or assessment on real property or by the public records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
7. Any service, installation, connection, maintenance or construction charges for sewer, water, electricity, or garbage collection or disposal or other utilities unless shown as an existing lien by the public records.
8. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date hereof but prior to the date the proposed Insured acquires for value of record for value the estate or interest or mortgage thereon covered by this Commitment.

NOTE: General Exceptions 1 – 8 will not appear as printed exceptions on any extended coverage loan policy except those or those parts thereof which may appear as a Special Exception in Schedule B II.

(continued)

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**SCHEDULE B II**  
**(continued)**

Order Number: NXID-0113587

**SPECIAL EXCEPTIONS**

9. Water rights, claims or title to water.
10. Unpatented mining claims, reservations or exceptions in patents or in acts authorizing the issuance thereof.
11. Material or labor liens or liens created or authorized by law of which no notice is of record.
12. General taxes for the year 2013, which are a lien, payable on or before December 20th of said year and not delinquent until after said date.
13. General taxes which may be assessed and extended on any "subsequent" or "occupancy" tax roll for the tax year 2013 with respect to improvements completed during 2013 and which may escape assessment of the regular tax roll; which are a lien not yet due or payable.
14. Liens, levies and assessments of the City of Star. No search has been made. Telephone No. (208)286-7247 for more specific information.
15. Liens, levies and assessments of the Star Sewer and Water District. No search is made of the district records. Telephone No. (208)286-7388 for more specific information.
16. Liens and assessments of the Middleton Irrigation District, and the rights, powers and easements of said district as by law provided. No search has been made.
17. Liens and assessments of the Middleton Mill Ditch Company, and the rights, powers, and easements of said district as by law provided. No search has been made. Telephone No. (208)585-3207 for more specific information.
18. Liens and assessments of the Flake Ditch Company, LTD, and the rights, powers and easements of said district as by law provided. No search has been made.
19. Liens and assessments of Drainage District No. 2, and the rights, powers and easements of said district as by law provided; said assessments are collected with the general taxes.
20. Terms, conditions, provisions and easements set forth in that certain Crossing Agreement between Middleton Mill Ditch Company and Middleton Irrigation Association, an Idaho corporation, and Flake Lateral, recorded February 7, 2002, as Instrument No. 102015792, and re-recorded June 13, 2002 as Instrument No. 102067018, of Official Records.
21. Terms, conditions, provisions and easements set forth in that certain License Agreement between Drainage District No. 2 and Star Sewer and Water District, recorded July 26, 2002, as Instrument No. 102084181, of Official Records.
22. Terms, conditions, provisions and easements set forth in that certain License Agreement between George E Crews and Raycene Crews and Star Sewer and Water District, recorded July 26, 2002, as Instrument No. 102084182, of Official Records.



**SCHEDULE B II**  
**(continued)**

Order Number: NXID-0113587

23. Terms, conditions, provisions and easements set forth in that certain Easement Agreement between George E Crews and Racyene Crews and Star Sewer and Water District, recorded July 26, 2002, as Instrument No. 102084183, of Official Records.
24. Terms, conditions, provisions and easements set forth in that certain Purchase Agreement between George Crews, individually and as Personal Representative of the Estate of Raycene Crews, and Oliver Cleaver and Deborah Cleaver, husband and wife, recorded December 3, 2004, as Instrument No. 104153568, of Official Records.
25. Terms, conditions, provisions and easements set forth in that certain Agreement between Middleton Mill Ditch Company, an Idaho corporation; Middleton Irrigation Association, Inc., an Idaho corporation; and the Flake Ditch Company, Ltd., an Idaho corporation; and Hidden Brook Development, Inc., an Idaho corporation, recorded August 25, 2005, as Instrument No. 105121342, of Official Records.  
  
Addendum recorded June 26, 2006, as Instrument Number 106102235, of Official Records.
26. Terms, conditions, provisions and easements set forth in that certain Access and Development Covenants between Hidden Brook Development, Inc., an Idaho corporation, and Diamond Development Associates LLC, an Idaho limited liability company, recorded October 3, 2005, as Instrument No. 105147588, of Official Records.
27. Terms, conditions, provisions and easements set forth in that certain License Agreement between Drainage District No. 2 and DBSI Pristine Meadows, LLC, an Idaho limited liability company, recorded April 7, 2006, as Instrument No. 106053893, of Official Records.
28. Terms, conditions, provisions and easements set forth in that certain Memorandum of Agreement between DBSI Pristine Meadows LLC, an Idaho limited liability company and Joint School District No. 2, an Idaho school district and body corporate and politic of the State of Idaho, recorded August 22, 2008, as Instrument No. 108095801, of Official Records.
29. Terms, conditions, provisions and easements set forth in that certain Impact Fee Credit Agreement between City of Star, an Idaho municipal corporation and Kastera Pavilion Commons, LLC, an Idaho limited liability company, and DBSI Pristine Meadows, LLC, an Idaho limited liability company, recorded September 9, 2011, as Instrument No. 11073020, of Official Records.  
  
Addendum recorded November 30, 2012, as Instrument Number 112125653, of Official Records.
30. Matters shown or disclosed by Record of Survey No. 9125, recorded January 20, 2012, as Instrument Number 112005917, of Official Records.
31. Any off record facts, encumbrances, easements or possessory claims, a survey or inspection would disclose.

**SCHEDULE B II**  
**(continued)**

Order Number: NXID-0113587

**END OF EXCEPTIONS**

FOR YOUR INFORMATION ONLY, WE PROVIDE YOU WITH THE FOLLOWING, WHICH IS A MATTER NOT WITHIN THE INSURING PROVISIONS OF THIS COMMITMENT OR THE POLICY:

NOTE: According to the records of the Assessor's/Treasurer's Office:

Re: Assessor Parcel No.: S0407142000

Code Area: 07-2

General taxes for the year 2012 are \$225.92, plus any penalties and interest.

(Affects this and other property)

(The new parcel number for 2013 is S0407142050)

The address for the herein described property is:

W Hidden Brook Dr, Star, ID 83669

NOTE: ACCORDING TO OUR RECORDS, AND AS OF THE EFFECTIVE DATE OF THIS COMMITMENT, THE DEED(S) AFFECTING THE HEREIN DESCRIBED LAND WHICH HAVE RECORDED WITHIN 24 MONTHS OF SAID EFFECTIVE DATE, OR THE LAST VESTING DEED, IS (ARE) AS FOLLOWS:

Document: Quitclaim Deed

Grantor: DBSI Pristine Meadows LLC, an Idaho Limited Liability Company

Grantee: DBSI Pristine Meadows LLC, an Idaho Limited Liability Company

Recorded: October 5, 2012

Instrument No.: 112103455

Re-recorded: October 23, 2012

Instrument Number 112109928

Document: Warranty Deed

Grantor: Diamond Development Associates, LLC, an Idaho limited liability company

Grantee: DBSI Pristine Meadows, LLC, an Idaho limited liability company

Recorded: October 3, 2005

Instrument No.: 105147589

NOTE: PURSUANT TO THE STATE OF IDAHO INSURANCE REGULATIONS, A CANCELLATION FEE IS TO BE CHARGED ON ALL CANCELLED ORDERS. UNLESS OTHERWISE ADVISED, ORDERS WILL BE CONSIDERED CANCELLED SIX MONTHS AFTER THE EFFECTIVE DATE ON THE COMMITMENT. THE AMOUNT OF THE FEE ASSESSED SHALL BE IN ACCORDANCE WITH OUR RATE FILING WITH THE IDAHO DEPARTMENT OF INSURANCE.

NOTE: FOR A DEED OF TRUST, THE TRUSTEE SHOULD APPEAR AS FOLLOWS:  
NEXTITLE.

NOTE: WE HAVE SEARCHED OUR RECORDS FOR JUDGMENTS OR LIENS THAT MAY AFFECT THE TITLE TO THE LAND DESCRIBED IN SCHEDULE A. AS OF THE EFFECTIVE DATE OF THIS COMMITMENT WE FIND NONE, EXCEPT AS MAY BE SHOWN AS AN EXCEPTION IN SCHEDULE B.

**SCHEDULE B II**  
**(continued)**

Order Number: NXID-0113587

NOTE: THE POLICY(S) OF INSURANCE MAY CONTAIN A CLAUSE PERMITTING ARBITRATION OF CLAIMS AT THE REQUEST OF EITHER THE INSURED OR THE COMPANY. UPON REQUEST, THE COMPANY WILL PROVIDE A COPY OF THIS CLAUSE AND THE ACCOMPANYING ARBITRATION RULES PRIOR TO THE CLOSING OF THE TRANSACTION.

**END OF SCHEDULE B II**



**Joint Notice of Privacy Policy**  
**of**  
**Westcor Land Title Insurance Company**  
**and**  
**Nextitle**

Westcor Land Title Insurance Company ("WLTIC") and Nextitle ("NXT") value their customers and are committed to protecting the privacy of personal information. In keeping with that philosophy, we each have developed a Privacy Policy, set out below, that will ensure the continued protection of your nonpublic personal information and inform you about the measures WLTIC and NXT take to safeguard that information. This notice is issued jointly as a means of paperwork reduction and is not intended to create a joint privacy policy. Each company's privacy policy is separately instituted, executed, and maintained.

**Who is Covered**

We provide our Privacy Policy to each customer when they purchase an WLTIC title insurance policy. Generally, this means that the Privacy Policy is provided to the customer at the closing of the real estate transaction.

**Information Collected**

In the normal course of business and to provide the necessary services to our customers, we may obtain nonpublic personal information directly from the customer, from customer-related transactions, or from third parties such as our title insurance agents, lenders, appraisers, surveyors or other similar entities.

**Access to Information**

Access to all nonpublic personal information is limited to those employees who have a need to know in order to perform their jobs. These employees include, but are not limited to, those in departments such as closing, legal, underwriting, claims administration and accounting.

**Information Sharing**

Generally, neither WLTIC nor NXT shares nonpublic personal information that it collects with anyone other than those individuals necessary needed to complete the real estate settlement services and issue its title insurance policy as requested by the consumer. WLTIC or NXT may share nonpublic personal information as permitted by law with entities with whom WLTIC or NXT has a joint marketing agreement. Entities with whom WLTIC or NXT have a joint marketing agreement have agreed to protect the privacy of our customer's nonpublic personal information by utilizing similar precautions and security measures as WLTIC and NXT use to protect this information and to use the information for lawful purposes. WLTIC or NXT, however, may share information as required by law in response to a subpoena, to a government regulatory agency or to prevent fraud.

**Information Security**

WLTIC and NXT, at all times, strive to maintain the confidentiality and integrity of the personal information in its possession and has instituted measures to guard against its unauthorized access. We maintain physical, electronic and procedural safeguards in compliance with federal standards to protect that information.

*The WLTIC Privacy Policy can be found on WLTIC's website at [www.wltic.com](http://www.wltic.com).*



**WESTCOR**  
LAND TITLE INSURANCE COMPANY

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AMERICAN LAND TITLE  
ASSOCIATION  
COMMITMENT - 1966

**WESTCOR LAND  
TITLE INSURANCE COMPANY**

COMMITMENT  
FOR  
TITLE INSURANCE

**HOME OFFICE**  
201 N. New York Avenue, Suite 200  
Winter Park, Florida 32789  
Telephone: (407) 629-5842



## Enclosed: Title Insurance Commitment

**Property:** W Hidden Brook Dr, Star, ID 83669

**Date:** August 27, 2013

**County:** Ada

**Order No.:** NXID-0113588

**Reference:** Roselands Subdivision No. 1

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

### Your Escrow Team:

STAFF		Email	Direct
Phil Archer	Escrow Closer	parcher@nextitle.com	(208)389-6939
Angela Wolfkiel	Escrow Assistant	awolfkiel@nextitle.com	(208)389-6918

### Your Title Team:

STAFF		Email	Direct
Fred Mulder	Title Officer	fmulder@nextitle.com	2083896928

Thank you for choosing **NexTitle, A Title and Escrow Co.**, We value your business.  
Please let us know how we can help.



**NexTitle, A Title and Escrow Co.**, 1880 S Cobalt Point Way, Suite 100, Meridian, ID 83642  
**Main:** 208-433-1021 **Main Fax:** 208-433-1140, **Website:** [www.nextitle.com](http://www.nextitle.com)  
Alaska | Arizona | California | Colorado | Hawaii | Idaho | Nevada | Oregon | Washington





## COMMITMENT FOR TITLE INSURANCE

Issued by

### WESTCOR LAND TITLE INSURANCE COMPANY

Westcor Land Title Insurance Company, a California corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six (6) months after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

IN WITNESS WHEREOF, Westcor Land Title Insurance Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

Issued By:

WESTCOR LAND TITLE INSURANCE COMPANY

NEXTITLE, A TITLE AND ESCROW CO.  
1880 S Cobalt Point Way, Suite 100  
Meridian, ID 83642  
208-433-1021



By:

*Mary O'Donnell*  
\_\_\_\_\_  
President

Attest:

*Patricia H. Power*  
\_\_\_\_\_  
Secretary

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AMERICAN  
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ASSOCIATION





**ALTA COMMITMENT FORM  
COMMITMENT FOR TITLE INSURANCE**

Issued By  
**WESTCOR LAND TITLE INSURANCE COMPANY**

**CONDITIONS**

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at [www.alta.org](http://www.alta.org).

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## COMMITMENT FOR TITLE INSURANCE

Order Number: NXID-0113588

### SCHEDULE A

1. Effective Date: August 15, 2013 at 7:30AM

2. Policy or Policies to be issued:

(a) ALTA Owner's Policy, (6-17-06) Standard Coverage

Amount: TBD  
Premium: \$0.00

Proposed Insured:

(b) ALTA Loan Policy, (6-17-06) Extended Coverage

Amount: TBD  
Premium: \$0.00

Proposed Insured:

3. The estate or interest in the land described or referred to in this Commitment is Fee Simple

4. Title to the Fee Simple estate or interest in the land is at the Effective Date vested in:

Star North, LLC, an Idaho limited liability company

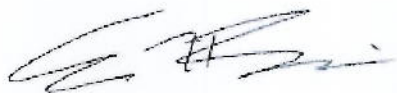
5. The land referred to in this Commitment is described as follows:

Lot 1 in Block 2 of Roselands Subdivision No. 1, according to the official plat thereof, filed in Book 105 of Plats at Page(s) 14322 through 14324, official records of Ada County, Idaho.

Date: August 27, 2013

Issued By:

NEXTITLE, A TITLE & ESCROW COMPANY



COUNTERSIGNED: Eric. T. Bloomquist  
Authorized Officer or Agent

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AMERICAN  
LAND TITLE  
ASSOCIATION



NXID-0113588

## SCHEDULE BI

Order Number: NXID-0113588

### Requirements:

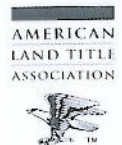
The following are the requirements to be complied with:

1. Pay the full consideration to, or for the account of, the grantors or mortgagors.
2. Pay all taxes, charges and assessments levied against subject premises, which are due and payable.
3. Satisfactory evidence should be had that improvements and/or repairs or alterations thereto are completed; that contractor, sub-contractors, labor or materialmen are all paid; and have released of record all liens or notice of intent to perfect a lien for labor or material.
4. A Warranty Deed executed by the vestee(s) herein vesting fee simple title in the purchasers.
5. Evidence satisfactory to the Company creating the estate or interest to be insured herein must be submitted for our review prior to closing. The Company herein reserves the right to impose additional requirements and/or exceptions upon disclosure of same.
6. Deed(s) of reconveyance/partial reconveyance of any deed of trust and/or satisfaction(s)/partial satisfaction(s) of any mortgage shown in Schedule B – Section 2, that has been previously paid or is to be paid in connection with the present transaction, to be placed of record.
7. The mortgage (deed of trust) we are asked to insure should be placed of record and this commitment is subject to such further matters as may appear at that time.
8. In order for an Extended Lender's Policy to be issued Insuring against questions of unrecorded labor and material liens, and in order to remove special Exception No. 11 of Schedule B at policy, the following requirements must be met and submitted to the Company:
  - 1) An Indemnity Agreement signed by the Owner and/or Builder.
  - 2) Satisfactory evidence of payment for all subcontractors and/or suppliers of labor and/or materials furnished prior to the recording of the deed of trust to be insured herein.

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## SCHEDULE B II

Order Number: NXID-0113588

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company, (or unless the policy to be issued is an ALTA Homeowner's Policy in which case only item 8 is relevant and items 1 – 7 are expressly deemed inapplicable to the covered risks of said ALTA Homeowner's Policy):

### GENERAL EXCEPTIONS

1. Any facts, rights, interest, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession, or claiming to be in possession, thereof.
2. Easements, liens, encumbrances, or claims thereof which are not shown by the public records.
3. Any encroachment, encumbrances, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land, and that is not shown by the Public Records.
4. Any lien, or right to a lien, imposed by the law for services, labor, or material heretofore or hereafter furnished, which lien, or right to a lien, is not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) Indian treaty or aboriginal rights, including, but not limited to, easements or equitable servitudes; or, (d) water rights, claims or title to water, whether or not the matters excepted under (a), (b), (c) or (d) are shown by the public records.
6. Taxes or assessments which are not now payable or which are not shown as existing liens by the records of any taxing authority that levies taxes or assessment on real property or by the public records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
7. Any service, installation, connection, maintenance or construction charges for sewer, water, electricity, or garbage collection or disposal or other utilities unless shown as an existing lien by the public records.
8. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date hereof but prior to the date the proposed Insured acquires for value of record for value the estate or interest or mortgage thereon covered by this Commitment.

NOTE: General Exceptions 1 – 8 will not appear as printed exceptions on any extended coverage loan policy except those or those parts thereof which may appear as a Special Exception in Schedule B II.

(continued)

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**SCHEDULE B II**  
**(continued)**

Order Number: NXID-0113588

**SPECIAL EXCEPTIONS**

9. Water rights, claims or title to water.
10. Unpatented mining claims, reservations or exceptions in patents or in acts authorizing the issuance thereof.
11. Material or labor liens or liens created or authorized by law of which no notice is of record.
12. General taxes for the year 2013, which are a lien, payable on or before December 20th of said year and not delinquent until after said date.
13. Liens, levies and assessments of the City of Star. No search has been made. Telephone No. (208)286-7247 for more specific information.
14. Liens and assessments of the Farmers Union Ditch Irrigation District, and the rights, powers, and easements of said district as by law provided. No search has been made. Telephone No. (208)345-2510 for more specific information.
15. Liens, levies and assessments of the Star Sewer and Water District. No search is made of the district records. Telephone No. (208)286-7388 for more specific information.
16. Reservations in U.S. Patent, recorded in Book 3 of Patents at Page 224, of Official Records.
17. An easement for power lines and incidental purposes in favor of Idaho Power Company, recorded May 20, 1992, as Instrument No. 9232594, of Official Records.
18. An easement for Installing and maintaining a water service line and incidental purposes in favor of Star Sewer and Water District, recorded June 10, 1994, as Instrument Number 94054295, of Official Records.
19. Terms, conditions, provisions and easements set forth in that certain Memorandum of Consulting and Development Agreement between Peterson Development Company, LLC, a Utah limited liability company, Chad Colbert an individual, an Green Valley Development, Inc., a Utah corporation, recorded January 30, 2006, as Instrument No. 106014957, of Official Records.
20. Terms, conditions, provisions and easements set forth in that certain Ordinance No.160 Annexing to the City of Star certain real property, recorded August 21, 2006, as Instrument No. 106134996, of Official Records.
21. Terms, conditions, provisions and easements set forth in that certain Order of Inclusion of certain real property within the Star Sewer and Water District, recorded October 1, 2007, as Instrument No. 107136396, of Official Records.
22. An easement for sidewalk in favor of ADA COUNTY HIGHWAY DISTRICT recorded October 18, 2007, as Instrument Number 107143038, of Official Records.
23. An easement for Master Perpetual Storm Water Drainage in favor of ADA COUNTY HIGHWAY DISTRICT recorded May 8, 2009, as Instrument Number 109053259, of Official Records.



**SCHEDULE B II**  
**(continued)**

Order Number: NXID-0113588

24. A deed of trust to secure an indebtedness of \$368,000.00, and any other amounts as therein provided; **Recorded:** January 17, 2013, as Instrument Number 113006403, of Official Records; **Dated:** January 15, 2013; **Grantor:** Star North, LLC; **Trustee:** First American Title Insurance Company; **Beneficiary:** Canyon Ranches, L.C., Doves Landing, L.C. and Kick Creek, L.L.C.  
(Affects this and other property)
25. Terms, conditions, provisions and easements set forth in that certain Temporary License Agreement between Roselands Subdivision Homeowner's Association, Inc. and Ada County Highway District, recorded April 19, 2013, as Instrument No. 113042073, of Official Records.
26. Easements, reservations, restrictions and dedications, if any, as shown on the official plat of said subdivision.
27. Protective covenants, conditions, restrictions and/or easements and other matters imposed by instrument recorded June 10, 2013, as Instrument No. 113064434, of Official Records, but omitting covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.
28. Provisions for liens, levies and assessments for Roselands Homeowners Association, Inc. recorded June 10, 2013, as Instrument Number 113064434, of Official Records.
29. Terms, conditions, provisions and easements set forth in that certain Second Amended and Restated Development Agreement between the City of Star, a municipal corporation in the State of Idaho and Star North, LLC, an Idaho limited liability company, recorded July 17, 2013, as Instrument No. 113079970, of Official Records.
30. Any off record facts, encumbrances, easements or possessory claims, a survey or inspection would disclose.

**END OF EXCEPTIONS**

FOR YOUR INFORMATION ONLY, WE PROVIDE YOU WITH THE FOLLOWING, WHICH IS A MATTER NOT WITHIN THE INSURING PROVISIONS OF THIS COMMITMENT OR THE POLICY:

NOTE: According to the records of the Assessor's/Treasurer's Office:

Re: Assessor Parcel No.: S0406110350

Code Area: 07

General taxes for the year 2012 are \$12,301.86, plus any penalties and interest.

(Affects this and other property)

(The new Tax Parcel Number for 2014 is R7567300020)

The address for the herein described property is:

W Meadow Lily St, Star, ID 83616

NOTE: ACCORDING TO OUR RECORDS, AND AS OF THE EFFECTIVE DATE OF THIS COMMITMENT, THE DEED(S) AFFECTING THE HEREIN DESCRIBED LAND WHICH HAVE RECORDED WITHIN 24 MONTHS OF SAID EFFECTIVE DATE, OR THE LAST VESTING DEED, IS (ARE) AS FOLLOWS:

Document: Warranty Deed

**SCHEDULE B II**  
**(continued)**

Order Number: NXID-0113588

Grantor: Canyon Ranches, L.C., Doves Landing, L.C. and Kick Creek, L.L.C., Utah limited liability companies

Grantee: Star North, LLC, an Idaho limited liability company

Recorded: January 17, 2013

Instrument No.: 113006402

Document: Warranty Deed

Grantor: JSB Corporation

Grantee: a 40.00% to Canyon Ranches, L.C., a 40.00% interest to Doves Landing, L.C. and 20.00 % interest to Kick Creek, L.L.C., as tenants in common

Recorded: March 9, 2012

Instrument No.: 112021937

NOTE: PURSUANT TO THE STATE OF IDAHO INSURANCE REGULATIONS, A CANCELLATION FEE IS TO BE CHARGED ON ALL CANCELLED ORDERS. UNLESS OTHERWISE ADVISED, ORDERS WILL BE CONSIDERED CANCELLED SIX MONTHS AFTER THE EFFECTIVE DATE ON THE COMMITMENT. THE AMOUNT OF THE FEE ASSESSED SHALL BE IN ACCORDANCE WITH OUR RATE FILING WITH THE IDAHO DEPARTMENT OF INSURANCE.

NOTE: FOR A DEED OF TRUST, THE TRUSTEE SHOULD APPEAR AS FOLLOWS:  
NEXTITLE.

NOTE: WE HAVE SEARCHED OUR RECORDS FOR JUDGMENTS OR LIENS THAT MAY AFFECT THE TITLE TO THE LAND DESCRIBED IN SCHEDULE A. AS OF THE EFFECTIVE DATE OF THIS COMMITMENT WE FIND NONE, EXCEPT AS MAY BE SHOWN AS AN EXCEPTION IN SCHEDULE B.

NOTE: THE POLICY(S) OF INSURANCE MAY CONTAIN A CLAUSE PERMITTING ARBITRATION OF CLAIMS AT THE REQUEST OF EITHER THE INSURED OR THE COMPANY. UPON REQUEST, THE COMPANY WILL PROVIDE A COPY OF THIS CLAUSE AND THE ACCOMPANYING ARBITRATION RULES PRIOR TO THE CLOSING OF THE TRANSACTION.

**END OF SCHEDULE B II**



## **Joint Notice of Privacy Policy**

**of**

**Westcor Land Title Insurance Company**

**and**

**Nextitle**

Westcor Land Title Insurance Company ("WLTIC") and Nextitle ("NXT") value their customers and are committed to protecting the privacy of personal information. In keeping with that philosophy, we each have developed a Privacy Policy, set out below, that will ensure the continued protection of your nonpublic personal information and inform you about the measures WLTIC and NXT take to safeguard that information. This notice is issued jointly as a means of paperwork reduction and is not intended to create a joint privacy policy. Each company's privacy policy is separately instituted, executed, and maintained.

### **Who is Covered**

We provide our Privacy Policy to each customer when they purchase an WLTIC title insurance policy. Generally, this means that the Privacy Policy is provided to the customer at the closing of the real estate transaction.

### **Information Collected**

In the normal course of business and to provide the necessary services to our customers, we may obtain nonpublic personal information directly from the customer, from customer-related transactions, or from third parties such as our title insurance agents, lenders, appraisers, surveyors or other similar entities.

### **Access to Information**

Access to all nonpublic personal information is limited to those employees who have a need to know in order to perform their jobs. These employees include, but are not limited to, those in departments such as closing, legal, underwriting, claims administration and accounting.

### **Information Sharing**

Generally, neither WLTIC nor NXT shares nonpublic personal information that it collects with anyone other than those individuals necessary needed to complete the real estate settlement services and issue its title insurance policy as requested by the consumer. WLTIC or NXT may share nonpublic personal information as permitted by law with entities with whom WLTIC or NXT has a joint marketing agreement. Entities with whom WLTIC or NXT have a joint marketing agreement have agreed to protect the privacy of our customer's nonpublic personal information by utilizing similar precautions and security measures as WLTIC and NXT use to protect this information and to use the information for lawful purposes. WLTIC or NXT, however, may share information as required by law in response to a subpoena, to a government regulatory agency or to prevent fraud.

### **Information Security**

WLTIC and NXT, at all times, strive to maintain the confidentiality and integrity of the personal information in its possession and has instituted measures to guard against its unauthorized access. We maintain physical, electronic and procedural safeguards in compliance with federal standards to protect that information.

*The WLTIC Privacy Policy can be found on WLTIC's website at [www.wltic.com](http://www.wltic.com).*



**WESTCOR**  
LAND TITLE INSURANCE COMPANY

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AMERICAN LAND TITLE  
ASSOCIATION  
COMMITMENT - 1966

**WESTCOR LAND  
TITLE INSURANCE COMPANY**

COMMITMENT  
FOR  
TITLE INSURANCE

**HOME OFFICE**  
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