

SCHEDULE B

File No. 170235-WA

EXCEPTIONS FROM COVERAGE

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

PART ONE

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
6. Any lien, or rights to a lien, for services, labor or materials theretofore or hereafter furnished, imposed by law and not shown by the public records.
7. 2006 taxes are an accruing lien, not yet due and payable until the fourth Monday in November of the current year. The first one-half is not delinquent until after December 20 of the current year, the second one-half is not delinquent until after June 20 of the following year. Taxes which may be assessed and entered on the property roll for 2005 with respect to new improvements and first occupancy, which may be included on the regular property, which are an accruing lien, not yet due and payable.

General taxes as set forth below. Any amounts not paid when due will accrue penalties and interest in addition to the amount stated herein:

Year	Original Amount	Amount Paid	Parcel Number
2005	\$746.66	\$746.66	49N01W235475

Homeowners Exemption is in effect for 2005.

Circuit breaker is not in effect for 2005.

Agricultural Exemption is not in effect for 2005.

8. Easement for Right of Way granted to The Washington Water Power Company, recorded July 12, 1907 in Book 26 of Deeds, Page 95.
9. Easement for Right of Way granted to Pacific Telephone and Telegraph Company, recorded September 16, 1924 in Book 83 of Deeds, Page 278.