

DE ✓

SEP 11 2006

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF CHANGE IN WATER RIGHT OWNERSHIP

Please print or type. Attach pages with additional information. Instructions are included at the end of this form.
 Incomplete forms will be returned.

1. Please list the water right number(s) and/or adjudication claim number(s) (if any) for each water right to be changed. List just the adjudication claim number if there is no corresponding water right record on file with the department. Indicate, by checking in the space provided (under the "split" heading), if the change in ownership is limited to a portion of a water right in which case division of the existing water right or adjudication claim record will be required.

Water Right No(s).	Adjudication Claim No(s).	Split	Water Right No(s).	Adjudication Claim No(s).	Split
65-17208 PD					

2. The following **REQUIRED** information must be submitted with this form:

- A. The appropriate **FILING FEE**. See instructions for fee amounts.
- B. A copy of the most recent **DEED, TITLE POLICY, CONTRACT OF SALE** or other legal document indicating your ownership of the property and water right(s) or claim(s) in question, **WITH ATTACHED LEGAL DESCRIPTION**.
- C. Either of the following (if necessary to clarify division of water rights or other complex property descriptions):
 PLAT OF PROPERTY or SURVEY MAP clearly showing the location of the point(s) of diversion and place of use of your water right(s) and/or adjudication claim(s) (these are usually attached to your deed or on file with the county).

OR

If your water right(s) and/or adjudication claim(s) is for ten or more acres of irrigation, you must submit a USDA Farm Service Agency **AERIAL PHOTO** with the irrigated acres outlined and point(s) of diversion clearly marked. The **AERIAL PHOTO** should be submitted in place of the **PLAT OF PROPERTY** or **SURVEY MAP**.

3. Name and Address of Former Owner/Claimant(s)

4. New Owner/Claimant(s)

New Mailing Address

City, State and ZIP Code

New Telephone Number

5. Date you acquired the property

Ann C. Finney
 Kathryn E. TAM - 1555 Thornock - Emmett
 A. Ralph & or Lori A. Gurney Id. 83617
 Name Connector (Check one): ☐ and, ☒ or, ☐ and/or
 1111 W. Central Rd
 Emmett, Id. 83617
 208 365-2449
 2-14-06

6. If the change in ownership affects the entire water right for each water right or adjudication claim number listed in item 1, THEN SKIP THIS ITEM AND GO TO ITEM 7. If the change in ownership divides the water right(s) among multiple owners, you must describe, in detail, your portion of each water right after the change. Fill in the appropriate spaces in the box(es) below to describe your water right(s) after the change (one water right per box, you may copy this page as necessary). If your quantity of water is greater than a proportionate split, you must attach documentation to show justification for a larger amount. If you are not sure how to identify your portion of the original water right or adjudication claim records, please contact the nearest IDWR office for assistance.

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number <u>#65-17208</u>		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
<u>Domestic</u>	<u>0.04</u>	<u>1- Home</u>
Other	_____	_____
Total	<u>0.04</u>	_____

DESCRIPTION OF YOUR PORTION OF WATER RIGHT (If the right(s) will not be split, skip this area and proceed to item 7)		
Water Right and/or Adjudication Claim Number _____		
Water Use	Diversion Rate or Volume (cubic feet per second or acre-feet per annum)	Description (acres, number and type of stock, homes, etc)
Irrigation	_____	_____
Stock	_____	_____
Domestic	_____	_____
Other	_____	_____
Total	_____	_____

7. Signature of New Owner(s) or Claimant(s)
(include title if applicable)

A. Ralph Luning
Jaci A. Green

For Snake River Basin Adjudication Claims: Please attach a Notice of Appearance completed by your attorney, if you wish IDWR to correspond with him/her for all matters related to your claims.

For Office Use Only

Received by _____	Date _____	Fee <u>25.00</u>
Receipted by <u>AMG</u>	Date <u>9-21-06</u>	Receipt No. <u>0082221</u>
Processed by _____	AJ Date _____	WR _____ Date _____

IDAHO DEPARTMENT OF WATER RESOURCES
INDIVIDUAL LISTING FROM DIRECTOR'S REPORT
OF WATER RIGHTS ACQUIRED UNDER STATE LAW

DATE: April 6, 1998
PAGE: 1

RIGHT NUMBER: 65-17208
NAME AND ADDRESS: ANN C FINNEY
KATHRYN E TAM
1555 THORNOCK
EMMETT ID 83617

SOURCE: GROUNDWATER

QUANTITY: 0.04 CFS

THE QUANTITY OF WATER UNDER THIS RIGHT SHALL NOT EXCEED 13,000
GALLONS PER DAY.

PRIORITY-DATE: 09/15/1978

POINT OF DIVERSION T16N R03E S27 SESE Within VALLEY County

PURPOSE AND

PERIOD OF USE:	PURPOSE OF USE	PERIOD OF USE	QUANTITY
	DOMESTIC 1 HOME	01-01 12-31	0.04 CFS

PLACE OF USE: DOMESTIC Within VALLEY County
T16N R03E S27 SESE

OTHER MATTERS NECESSARY FOR DEFINITION OR ADMINISTRATION OF THIS WATER RIGHT:

THE QUANTITY OF WATER DECREED FOR THIS WATER RIGHT IS NOT A
DETERMINATION OF HISTORICAL BENEFICIAL USE.

EXPLANATORY MATERIAL: BASIS OF CLAIM - BENEFICIAL USE
PARCEL NO. RP003560000020
PROPERTY ALSO KNOWN AS VICKERY SUBDIVISION, LOT 2

RECEIVED

SEP 08 2006

Department of Water Resources

Please Transfer All Water Rights And
Information on this Claim to the New
OWNERS - No changes - or Additions -
Thank you -

CHANGE OF OWNERSHIP
LETTER SENT 9-13-06
- 10

A. Ralph Gurney

SCANNED

SEP 13 2006

Property Has Been Sold - 3/1/06 -
New Owners - A. Ralph Gurney
Lori A. Gurney
1111 W. Central Rd
Emmett, Id, 83617
Ph # 365-4150 WK
365-2449 Hm.



First American Title Company

415 Railroad, McCall, Idaho 83638

(208)634-4705, (208)634-4405

03/13/2006

File No.: **151443-MC**

A. Ralph Gurney and Lori A. Gurney
12851 Vickery Ct
Donnelly, ID 83611

THIS POLICY CONTAINS IMPORTANT INFORMATION ABOUT THE REAL ESTATE TRANSACTION YOU HAVE JUST COMPLETED. READ IT AND RETAIN IT WITH YOUR OTHER VALUABLE PAPERS PERTAINING TO THE PROPERTY.

The new home or other real estate you have purchased is protected with a Policy of Title Insurance issued by **FIRST AMERICAN TITLE COMPANY**. We have assigned the above number to your records to assure prompt processing of future title orders involving the property.

We appreciate the opportunity of serving you and will be glad to assist you in any way, remembering that **PROTECTION OF YOUR PROPERTY IS YOUR FIRST CONSIDERATION - AND OURS.**

Sincerely,

First American Title Company

Form No. 1402.92
(10/17/92)
ALTA Owner's Policy

Policy No.: 151443-MC

Policy of Title Insurance



ISSUED BY

First American Title Insurance Company

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

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

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

First American Title Insurance Company

By:

President

Attest:

Secretary

ELECTRONIC ORIGINAL

Countersigned
First American Title Company

© 2000 The First American Corporation.
All Rights Reserved



SCHEDULE A

Date of Policy: **March 3, 2006 at 3:54 pm**

Policy No.: **151443-MC**

Policy Amount: **\$100,000.00**

Premium: **\$605.00**

1. Name of Insured:

A. Ralph Gurney and Lori A. Gurney

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

Fee Simple

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

A. Ralph Gurney and Lori A. Gurney, husband and wife

4. The Land referred to in this Policy is described as:

**LOT 2 OF VICKERY SUBDIVISION ACCORDING TO THE OFFICIAL PLAT IN THE OFFICE
OF THE RECORDER, VALLEY COUNTY, IDAHO, RECORDED MAY 9, 1983 AS
INSTRUMENT NO. 127729 IN BOOK 7 OF PLATS, AT PAGE 87**

SCHEDULE B
EXCEPTIONS FROM COVERAGE

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

PART ONE

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 right to a lien, for services, labor or materials heretofore 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 2006 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	\$389.46	\$389.46	RP00356000020A

Homeowners Exemption is not in effect for 2005.
Circuit breaker is not in effect for 2005.

8. Reservations in United States Patent, recorded as Instrument No. 14461 .
9. Easements and Provisions in deed from the United States of America to Dick J. Miles and Helen E. Miles recorded February 13, 1969 as Instrument No. 69945, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).

10. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by the recorded plat of said subdivision, recorded May 9, 1983, as instrument number 127729, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
11. Declaration of Private Roads for Vickery Subdivision recorded May 9, 1983 as Instrument No. 127730.
12. Deed of Trust dated February 24, 2006, to secure an original indebtedness of \$70,000.00, and any other amounts and/or obligations secured thereby
Recorded: March 3, 2006, as Instrument No. 306534
Grantor: A. Ralph Gurney and Lori A. Gurney, husband and wife
Trustee: First American Title Company of Idaho, Inc.
Beneficiary: Ann C. Finney and Lawrence M. Finney; Kathryn E. Tam and Gail E. Tam



First American Title Company

415 Railroad, McCall, ID 83638
Phone (208)634-4705 - Fax (208)634-4405

PRIVACY POLICY

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information – particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at www.firstam.com.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

EXCLUSIONS FROM COVERAGE

THE FOLLOWING MATTERS ARE EXPRESSLY EXCLUDED FROM THE COVERAGE OF THIS POLICY AND THE COMPANY WILL NOT PAY LOSS OR DAMAGE, COSTS, ATTORNEYS' FEES OR EXPENSES WHICH ARISE BY REASON OF:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land, or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
 - (a) created, suffered, assumed or agreed to by the Insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that it is based on:
 - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (a) to timely record the instrument of transfer; or
 - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "Insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge": or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of 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, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

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

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

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

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to 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 the time of payment and which the Company is obligated to pay; or

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

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

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

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

(i) the amount of Insurance stated in Schedule A; or

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

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

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the Amount of Insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or (ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable

under this policy and shall only apply to that portion of any loss which exceeds in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

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

B. 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 NON-CUMULATIVE.

It is expressly understood that the Amount of Insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

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

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

13. SUBROGATION UPON PAYMENT OR SETTLEMENT

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant. The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name

of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

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

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

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

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

14. ARBITRATION.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

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

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

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

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

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

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

16. SEVERABILITY.

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

17. NOTICES, WHERE SENT

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

AFTER RECORDING MAIL TO:

A. Ralph Gurney and Lori A. Gurney
1500 S. Washington, Suite A
Emmett, ID 83617

Instrument # 306533

VALLEY COUNTY, CASCADE, IDAHO

2006-03-03

03:54:36 No. of Pages: 2

Recorded for : FIRST AMERICAN

LELAND G. HEINRICH

Fee: 6.00

Ex-Officio Recorder Deputy

Index to DEEDS

M. Kennedy

WARRANTY DEED

File No.: **4104-765685 (KSB)**

Date: **February 24, 2006**

For Value Received, **Ann C. Finney and Lawrence M. Finney, wife and husband and Kathryn E. Tam and Gail E. Tam, wife and husband**, hereinafter referred to as Grantor, does hereby grant, bargain, sell and convey unto **A. Ralph Gurney and Lori A. Gurney, husband and wife**, hereinafter referred to as Grantee, whose current address is **1500 S. Washington, Suite A, Emmett, ID 83617**, the following described premises, situated in **Valley County, Idaho**, to wit:

Lot 2, VICKERY SUBDIVISION according to the Official Plat in the Office of the Recorder, Valley County, Idaho, recorded May 9, 1983, as Instrument No. 127729 in Book 7 of Plats, at Page 87.

APN: **RP-00356000020A**

TO HAVE AND TO HOLD the said premises, with their appurtenances, unto said Grantee, and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Ann C. Finney

Ann C. Finney

Kathryn E. Tam

Kathryn E. Tam

Lawrence M. Finney

Lawrence M. Finney

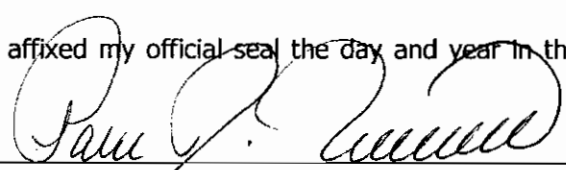
Gail E. Tam

Gail E. Tam

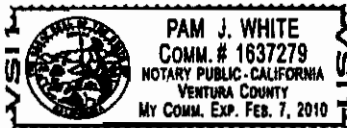
STATE OF California)
)
COUNTY OF Ventura)
)

On this 28 day of February, 2006, before me, a Notary Public in and for said State, personally appeared **Ann C. Finney and ~~Lawrence M. Finney~~ and Kathryn E. Tam and Gail E. Tam**, known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they 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.

P.W.

Notary Public for the State of California

Residing at: Thousand Oaks, CA
My Commission Expires: 2-7-10



STATE OF IDAHO, COUNTY OF Cem *KB*
On this 2nd day of March, 2006,
before me, a notary public in and for said State, personally
appeared

eg
is
wledged to me
cuted the same.

lic
ho





First American Title Company of Idaho, Inc.

1500 S Washington, Ste B • Emmett, ID 83617

Buyer's Settlement Statement

Property: 12851 Vickery Ct., Donnelly, ID 83615
Lot: 2

File No: 4104-765685
Officer: Kathi Blamires/KSB
New Loan No:
Settlement Date: 03/02/2006
Disbursement Date: 03/02/2006
Print Date: 2/24/2006, 5:10 PM

Buyer: A. Ralph Gurney, Lori A. Gurney
Address: 1500 S. Washington, Suite A, Emmett, ID 83617
Seller: Ann C. Finney, Lawrence M. Finney; Kathryn E. Tam, Gail E. Tam
Address: 1555 Thornock Rd, Emmett, ID 83617

Charge Description	Buyer Charge	Buyer Credit
Consideration:		
Total Consideration	100 000.00	
Adjustments:		
Earnest Money given directly to Seller		1,000.00
Prorations:		
County Tax 01/01/06 to 03/02/06 @\$389.46/yr		64.02
New Loan(s):		
Lender: Ann C. Finney and Lawrence M. Finney; Kathryn E. Tam and Gail E. Tam		
New Loan to File - Ann C. Finney and Lawrence M. Finney; Kathryn E. Tam and Gail E. Tam		70,000.00
Title/Escrow Charges to:		
Owner's Policy of Title Insurance to First American Title Company	302.50	
Record: Warranty Deeds (2) to First American Title Company	6.00	
Record: 1st Deed of Trust to First American Title Company	4.50	
Escrow/Closing Fee - First American Title Company of Idaho, Inc.	167.50	
Messenger/Courier Svc Handling - First American Title Company of Idaho, Inc.	20.00	
Disbursements Paid:		
Long Term Escrow Set Up Fee to First American Specialty Services	130.00	
Cash (X From) (To) Borrower		29,566.48
Totals	100,630.50	100,630.50

BUYER(S):

A. Ralph Gurney
A. Ralph Gurney
Lori A. Gurney
Lori A. Gurney



First American

First American Title Company of Idaho, Inc.
1500 S Washington, Ste B

Emmett, ID 83617
Phn - (208)365-5343
Fax - (208)365-3650

CLOSING ESCROW INSTRUCTIONS

To: **First American Title Company of Idaho, Inc.**
Escrow Officer: **Kathi Blamires**

File No.: **4104-765685 (KSB)**
Date: **February 24, 2006**

Re: **12851 Vickery Ct., Donnelly, ID 83615**

I hereby agree to purchase the hereinafter described property located at **12851 Vickery Ct., Donnelly, ID 83615**, for a total consideration of **\$100,000.00**, and will on or before **March 02, 2006** hand you said consideration which is payable as follows:

Earnest Money Deposit	\$	0.00
New Loan to file	\$	70,000.00
Balance in cash at closing (closing costs are additional)		

I will deliver to you any additional funds and execute any instruments which are necessary to comply with the terms hereof, all of which you may use when you hold for me:

an executed deed

and when you can issue your standard coverage form policy of title insurance with liability of **\$100,000.00**, on the property described as follows:

Lot 2, VICKERY SUBDIVISION according to the Official Plat in the Office of the Recorder, Valley County, Idaho, recorded May 9, 1983, as Instrument No. 127729 in Book 7 of Plats, at Page 87. A.P.N. RP-00356000020A

SHOWING TITLE VESTED IN: **A. Ralph Gurney and Lori A. Gurney, husband and wife**

FREE OF ENCUMBRANCES EXCEPT:

1. Exceptions numbered **7 through 12**, inclusive, as shown in the title commitment **February 8, 2006**, issued in connection with this escrow, a copy of which has been reviewed.
2. Deed of Trust to be recorded securing a note in the amount of **\$70,000.00**, with interest at the rate of **6.000%** per annum in favor of **Ann C. Finney and Lawrence M. Finney; Kathryn E. Tam and Gail E. Tam**.
3. Other:

OTHER INSTRUCTIONS: All conditions of the Purchase and Sale Agreement, dated **February 14, 2006** and any Addendum's thereto have been satisfied and met.

PRORATE AND/OR ADJUST THE FOLLOWING AS OF **March 02, 2006**

1. Taxes based on the amount of the last tax statement of the Tax collector issued prior to close of escrow. (If the amount of the new tax bill issued by the Tax Collector after close of escrow is more or less than the amount used for proration purposes, the difference, if any, will be adjusted by the parties herein outside of escrow.) Seller to forward to Buyer any present or future tax bills on property herein.

First American Title Company of Idaho, Inc.

File No.: 4104-765685 (KSB)

Date: February 24, 2006

2. Interest on any existing trust deeds, improvements, assessments and/or bonds taken over by Buyer.
3. Rental or Lease, per rent or lease statement handed you.
4. Charge the Buyer and credit the Seller the amount of any funds held in an impound account, if any, in connection with an existing loan.

I hereby agree to pay any charges including usual Buyer escrow fees and any advance and expenses that are properly chargeable to me regardless of the consummation of this escrow. At the close of escrow, you are to deliver all documents, etc., to the persons entitled thereto.

Then you are instructed to disburse deposited funds pursuant to the Escrow Settlement Statement examined and approved by the parties hereto and by this reference made a part hereof. Proceeds of this escrow may be disbursed by your check payable to the respective parties, and your checks and documents may be mailed to the addresses set forth in these instructions.

When all documents have been signed and you have received all necessary funds, you are authorized to record the necessary documents, disburse funds collected in accordance with these instructions, and have the title insurance policy issued. Adjustments may be made on interest, unusual recording fees, and approved payment of bills and rents received after the signing of these instructions. You are authorized to pay any additional interest due on loan payoffs to lender after closing.

GENERAL PROVISIONS

All disbursements shall be made by your check. All funds received in this escrow shall be deposited in one or more of your general escrow accounts with any bank doing business in the State of Idaho and may be transferred to any other general escrow account or accounts. Upon specific instructions from all parties to this escrow, you may hold funds as otherwise instructed herein.

The expression 'close of escrow' means that date on which instruments referred to herein are filed for record and funds disbursed, unless otherwise indicated in these instructions.

You are to furnish a copy of these instructions, amendments thereto, closing statements and/or any other documents deposited in this escrow to the lender or lenders, the real estate broker or brokers and/or the attorney or attorneys involved in this transaction upon request of such lenders, brokers or attorneys. Should you, before or after close of escrow, receive or become aware of any conflicting demands or claims with respect to this escrow or the rights of any of the parties hereto, or any money or property deposited herein or affected hereby, you shall have the right to discontinue any or all further acts on your part until such conflict is resolved to your satisfaction, and you shall have the further right to commence or defend any action or proceedings for the determination of such conflict.

The parties hereto jointly and severally agree to pay all costs, damages, judgments and expenses, including reasonable attorneys' fees suffered or incurred by you in connection with, or arising out of this escrow, including, but without limiting the generality of the foregoing, a suit in interpleader brought by you.

If any party to this escrow elects to cancel these instructions because of the failure of any party to comply with any of the terms hereof within the time limits provided herein, said party so electing to cancel shall deliver to escrow agent a written notice to the other party and escrow agent shall hereupon become cancelled. When the written notice is delivered to escrow agent by the party so electing to cancel escrow agent shall within five days thereafter send a copy of said notice to the other party in the manner proved by law and the usual practices of this escrow agent.

First American Title Company of Idaho, Inc.

File No.: 4104-765685 (KSB)

Date: February 24, 2006

In the event said other party shall fail within said ten day period to comply with all of the terms hereof, these instructions shall become cancelled and escrow agent is thereupon authorized: (a) first, to pay to the party electing to cancel any money deposited hereunder by said other party, after deducting any charges; (b) second, to pay to the party electing to cancel, any money deposited by said party, after deducting any charges remaining unpaid; and (c) third, to return all documents deposited hereunder to the party who delivered the same except documents executed by more than one party, which shall be marked 'cancelled' and retain in the files of escrow agent.

Both Seller and Buyer acknowledge by their signatures hereon the following: We/I have been specifically informed that First American Title Company (hereinafter designated as First American) is not licensed to practice law and no legal advice has been offered by First American or any of its employees. We/I have been further informed that First American is acting only as escrow holder and that it is forbidden by law from offering any advice to any party respecting the merits of this escrow transaction or the nature of the instruments utilized and that it has not done so. We/I have not been referred by First American to any named attorney or attorneys or discouraged from seeking advice of any attorney, but have been requested to seek legal counsel of our/my own choosing at our/my own expense if we/I have doubt concerning any aspect of this transaction.

I further declare all instruments to which I am a part, if prepared by First American, have been prepared under the direction of my attorney or myself and particularly declared that copying legal descriptions from title reports onto forms of deeds, etc., or reforming of legal descriptions or agreements is, or will be solely at my direction or request.

I have been afforded adequate time and opportunity to read and understand these escrow instructions and all other documents referred to therein.

DISCLOSURE OF TAXPAYER IDENTIFICATION NUMBERS

Internal Revenue Code Section 6109(h) imposes requirements for furnishing, disclosing, and including taxpayer identification numbers in tax returns to a residential real estate transaction involving seller-provided financing. The parties understand that the disclosure reporting requirements are exclusive obligations between the parties to this transaction and that First American Title Company of Idaho, Inc., is not rendering an opinion concerning the effect of this law on this transaction, and the parties are not acting on any statements made or omitted by the escrow or closing officer.

To facilitate compliance with this law, the parties to this escrow hereby authorize First American Title Company of Idaho, Inc., to release any party(ies) taxpayer identification number to any requesting party who is a party to this transaction. The requesting part shall deliver a written request to escrow. The parties hereto waive all rights of confidentiality regarding their respective taxpayer identification numbers and agree to hold First American Title Company of Idaho, Inc., harmless against any fees, costs, or judgments incurred and/or awarded in connection with the release of taxpayer identification numbers.

PENALTIES

Penalties for failure to comply will most likely be assessed against the individual taxpayers for failure to provide the information.

Any amendments of and/or supplements to any instructions must be in writing. If any Earnest Money Agreements, Receipt and Agreements to Purchase or the like are attached to these instructions and one or more terms of said agreements conflict with or vary from these instructions, these instructions shall nevertheless control.

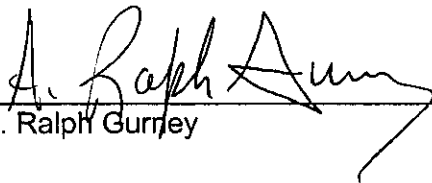
The Seller agrees to sell and the Buyer agrees to buy the property herein described upon the terms hereof.

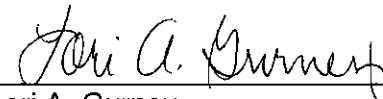
First American Title Company of Idaho, Inc.

File No.: 4104-765685 (KSB)

Date: February 24, 2006

BUYER(S):


A. Ralph Gurney


Lori A. Gurney

I/We approve of the foregoing instructions, agree to be bound thereof, and agree to sell and will deliver to you papers, instructions and/or funds required from me within the time limits specified herein, which you are authorized to deliver when you can issue your policy of title insurance as set forth above. You are instructed to use the money and record the instruments to comply with said escrow instructions and to pay all encumbrances of record necessary, without further approval including prepayment penalties to show title as herein provided. I agree to pay your usual sellers escrow fee, drawing of documents and such other charges which are advanced for my account regardless of the consummation of this escrow. I also agree to pay the policy of title insurance premium and recording fees which are properly chargeable to me.

At the close of escrow, you are to mail any documents and your check or checks payable to:

SELLER(S):

Ann C. Finney

Lawrence M. Finney

Kathryn E. Tam

Gail E. Tam



First American

First American Title Company of Idaho, Inc.
1500 S Washington, Ste B

Emmett, ID 83617
Phn - (208)365-5343
Fax - (208)365-3650

Date: **February 24, 2006**

File No.: **4104-765685 (KSB)**

Property: **12851 Vickery Ct., Donnelly, ID 83615**

The tax value shown on the attached closing statement is based on ESTIMATES.

Buyer and Seller herein affirm and agree that First American Title Company of Idaho, Inc., its employees, agents, or assigns have not made any warranties as to the accuracy of these tax figures. Further, Buyer and seller agree that should the actual tax, as shown on the tax statement forwarded by the Valley Assessor/Treasurer's Office during the year of the sale differ from the figure represented on the attached closing statement, the following will occur:

1. In the event Buyer has received excess credit based on the "estimated tax", Buyer agrees to reimburse Seller; or
2. In the event Buyer has not received sufficient credit based on the "estimated tax", Seller agrees to reimburse Buyer.
3. Payment of the pro-rated portion, due, if any, shall be made by the respective party (directly to the party) within thirty (30) days after notification of the actual tax assessed.
4. PAYMENT OF ANY SUBSEQUENT TAX STATEMENTS WHICH MAY BE RECEIVED AFTER DATE OF CLOSING ON THIS TRANSACTION WILL BE HANDLED DIRECTLY BETWEEN THE RESPECTIVE PARTIES, AND FIRST AMERICAN TITLE COMPANY OF IDAHO, INC. DOES NOT ASSUME ANY LIABILITY OR RESPONSIBILITY IN CONNECTION THEREWITH.

Further, Buyer and Seller herein agrees to hold First American Title Company of Idaho, Inc. harmless from any loss, liability, or responsibility in the event the estimated tax figures are based on a Homeowner's Tax Exemption, which may or may not apply for the year in which the sale occurs. It is agreed that it shall be the buyer's responsibility to investigate the status of the Homeowner's Tax Exemption as it may apply to the property being purchased.

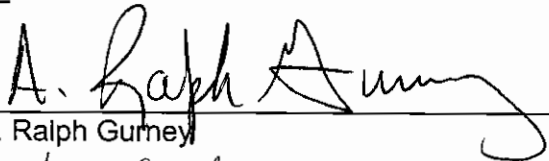
Dated: _____ day of _____, 20____

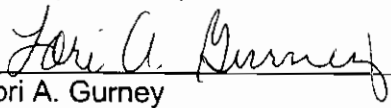
Ann C. Finney

Lawrence M. Finney

Kathryn E. Tam

Gail E. Tam



A. Ralph Gurney


Lori A. Gurney

First American Title Company of Idaho, Inc.

File No.: 4104-765685 (KSB)

Date: February 24, 2006

2005 Estimated Real Property Tax(es) for Parcel No. RP-003560000020A
Tax Amount **\$389.46**



DEED OF TRUST NOTE

\$70,000.00

Emmett, ID, February 24, 2006

File No.: 4104-765685 (KSB)

FOR VALUE received, the undersigned promise to pay to the order of **Ann C. Finney and Lawrence M. Finney; Kathryn E. Tam and Gail E. Tam**, the principal sum of **Seventy Thousand and No/100 Dollars (\$70,000.00)** in lawful money of the United States of America, with interest thereon at the rate of **6.000** percent per annum from **March 2, 2006**, in installments as follows:

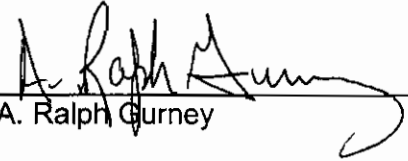
Installments of \$501.50 per month, including interest, said payments commencing April 1, 2006 and continuing thereafter on or before the same date of each succeeding month until March 1, 2011, at which time the entire balance of principal, plus accrued interest thereon, shall be due and payable.

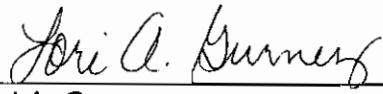
The maker hereof may repay any and all sums due hereunder at any time without prior notice to the holder and without penalty or premium of any kind.

In case of failure to pay any installment when same shall become due, the holder, at his option, may declare the whole principal hereof as immediately due and payable. In case this note is collected by an attorney, either with or without suit, the undersigned hereby agree to pay a reasonable attorneys' fee.

This note is secured by a Deed of Trust of even date executed by the undersigned on certain real property described therein.

The undersigned hereby waive presentment, protest, and notice.


A. Ralph Gurney


Lori A. Gurney

AFTER RECORDING MAIL TO:

First American Specialty Services
580 Jensen Grove Drive
Blackfoot, ID 83221

A.P.N.: RP-003560000020A

File No. 4104-765685 (KSB)

DEED OF TRUST

THIS DEED OF TRUST, made this **Twenty-fourth day of February, 2006**, between **A. Ralph Gurney and Lori A. Gurney, husband and wife**, as GRANTOR(S), whose address is **1500 S. Washington, Suite A, Emmett, ID 83617**, and **First American Title Company of Idaho, Inc.**, an Idaho Corporation, as TRUSTEE, whose address is **1500 S Washington, Ste B, Emmett, ID 83617**, and **Ann C. Finney and Lawrence M. Finney; Kathryn E. Tam and Gail E. Tam**, as BENEFICIARY, whose address is **1555 Thornock Rd., Emmett, ID 83617, First American Title Company of Idaho, Inc.**;

WITNESSETH: That Grantor does hereby irrevocably GRANT, BARGAIN, SELL AND CONVEY TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in the County of **Valley**, State of **Idaho**, described as follows and containing not more than acres:

Lot 2, VICKERY SUBDIVISION according to the Official Plat in the Office of the Recorder, Valley County, Idaho, recorded May 9, 1983, as Instrument No. 127729 in Book 7 of Plats, at Page 87.

APN: RP-003560000020A

TOGETHER WITH the rents, issues, and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing payment of the indebtedness evidenced by a promissory note, of even date herewith, executed by Grantor in the sum of **Seventy Thousand and No/100 dollars (\$70,000.00)**, final payment due **March 1, 2011** and to secure payment of all such further sums as may hereafter be loaned or advanced by the Beneficiary herein to the Grantor herein, or any or either of them, while record owner of present interest, for any purpose, and of any notes, drafts or other instruments representing such further loans, advances or expenditures together with interest on all such sums at the rate therein provided. Provided, however, that the making of such further loans, advances or expenditures shall be optional with the Beneficiary, and provided, further, that it is the express intention of the parties to this Deed of Trust that it shall stand as continuing security until paid for all such advances together with interest thereon.

File No.: **4104-765685 (KSB)**

Lori A. Gurney
Lori A. Gurney

Notary Public for the State of Idaho
Residing at: ,
My Commission Expires:

DO NOT RECORD

The following is a copy of provisions 1 to 6, inclusive of Part A and Provisions 1 to 9 Inclusive of Part B which are incorporated by reference in the Deed of Trust appearing on Page 1 hereof.

A. To protect the security of this Deed of Trust, Grantor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefore; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

4. To pay: at least ten days before delinquency, all taxes and assessments affecting said property, when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust. In addition to the payments due in accordance with the terms of the note hereby secured the Grantor shall at the option, and on demand of the Beneficiary, pay each month 1/12 of the estimated annual taxes, assessments, insurance premiums, maintenance and other charges upon the property, nevertheless in trust for Grantor's use and benefit and for the payment by Beneficiary of any such items when due. Grantor's failure so to pay shall constitute a default under this trust.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at eight percent per annum.

6. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3. At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

5. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Grantor the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act pursuant to such notice.

6. Upon default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of each county wherein said real property or some part thereof is situated.

Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed, Trustee, without demand on Grantor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Grantor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at eight percent per annum; all other sums then secured hereby; and the remainder, if any, to the persons or persons legally entitled thereto.

7. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder of the Note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor Beneficiary or Trustee shall be party unless brought by Trustee.

9. In the event of dissolution or resignation of the Trustee, the Beneficiary may substitute a Trustee or Trustees to execute the trust hereby created. and when any such substitution has been filed for record in the office of the Recorder of the County in which new Trustee or Trustees shall succeed to all of the powers and duties of the Trustee or Trustees named herein.

**THE PROMISSORY NOTE OR NOTES, AND ANY EVIDENCES OF FURTHER AND/OR
ADDITIONAL ADVANCES MUST BE PRESENTED WITH THIS REQUEST**

_____ Idaho _____ 20 _____

To: _____ Trustee

You are hereby authorized and requested to execute a reconveyance hereunder and deliver same to:

The undersigned hereby certified that _____

Are the owner(s) and holder(s) of the debt mentioned in said Deed of Trust and that the same has never been assigned or transferred.

Address: _____ By: _____

_____ By: _____

Telephone No.: _____



First American

First American Title Company of Idaho, Inc.
1500 S Washington, Ste B

Emmett, ID 83617
Phn - (208)365-5343
Fax - (208)365-3650

ESCROW INSTRUCTIONS

To: **First American Title Company of Idaho, Inc.**
Escrow Officer: **Kathi Blamires**

File No.: **4104-765685 (KSB)**
Date: **February 24, 2006**

Re: **12851 Vickery Ct., Donnelly, ID 83615**

1. The undersigned, in consideration of the premises and the consent of First American Title Company of Idaho, Inc. (hereafter referred to as "FATC") to act as Escrow Holder of the escrow deposited herewith, have agreed and hereby agree that FATC shall receive compensation for acting as Escrow Holder in accordance with the schedule of fees and charges of FATC in effect on the date of acceptance of this escrow.

The Escrow Holder reserves the right to increase the collection charges and the charge for the division of payments on this escrow at any time by giving written notice of such increase to the parties to this escrow by regular mail at the last address left with the Escrow Holder.

FATC reserves the right at any time to resign as Escrow Holder in which case the undersigned parties or their successors in interest at their expense shall promptly select a new or substitute Escrow Holder to whom FATC may deliver the escrowed documents at no cost to FATC. In the event the undersigned parties have not selected a new or substitute Escrow Holder within 30 days of the resignation of FATC, the new or substitute Escrow Holder may be selected by FATC and any cost associated therewith may be deducted from the next payment made on this escrow.

2. It is expressly understood between the parties hereto that said Company is to be considered and held as a depository only, and shall not be responsible or liable in any manner whatsoever for the sufficiency or correctness as to form, manner or execution, or validity of any instrument deposited in this escrow, nor as to the identity, authority, or rights of any person executing the same; also, that said company assumes no responsibility, nor is it to be held liable as to the condition of the title to any of the property involved herein, nor as to any assessments, liens or encumbrances against said property; and that its duties hereunder shall be limited to the safekeeping of such money, instruments or other documents received by it as such Escrow Holder, and for the deliver of the same in accordance with these written escrow instructions; it is further agreed that the Company shall in no case or event be liable for the failure of any of the conditions of this escrow or damage or loss caused by the exercise of the Company's discretion in any particular manner, or for any other reasons, except gross negligence or willful misconduct with reference to the said escrow.

3. In the event of any disagreement between the parties hereto or any parties interest herein, resulting in adverse claims and demands being made by them, or any of them in connection herewith, upon the Escrow Holder, said Escrow Holder shall be entitled at its option to refuse to comply with said demands so long as such disagreement shall continue; and in so refusing, said Escrow Holder may refuse to deliver any monies, papers or property involved in or affected by this escrow; and in so refusing, the Escrow Holder shall not be or become liable to the parties to this escrow for its failure and/or refusal to comply with the conflicting or adverse demands of the parties hereto. Further, that the Escrow Holder shall be entitled to continue to so refrain to act until (a) the parties hereto have reached an agreement in their differences and shall have notified the Escrow Holder in writing of such agreement, or (b) the rights of the parties have been duly adjudicated by a Court of competent jurisdiction.

4. In the event of any disagreement between the parties hereto, or demands or claims being made upon the Escrow Holder by the parties hereto or interested herein or by any other party, said Escrow Holder shall have the right to employ legal counsel to advise it and/or represent it in any suit or action brought affecting this escrow or the papers held in connection herewith; and the parties hereto shall be jointly and severally liable to the Escrow Holder for any and all attorneys' fees, costs and disbursements incurred by said Escrow Holder in connection herewith, and upon demand shall forthwith pay the same to the Escrow Holder.

5. Any payment made hereon other than in cash shall be credited on this escrow conditionally, pending the Escrow Holder's receipt of available funds at par. Should the Escrow Holder disperse the Buyer's payment to the Seller and the Buyer's payment, in whatever form it is made, is dishonored for any reason the Seller agrees to return the amount of the payment to the Escrow Holder and shall cancel the payment from the records. In the event the Seller does not return the payment, the Escrow Holder may retain the proceeds of the next payment for reimbursement or take any other appropriate action to recover from either the Buyer or Seller the amount dispersed together with all costs and attorney fees incurred with collection.

6. In the event that the Seller shall declare a default, Seller shall cause to be delivered to the Escrow Holder, Notification of Default, in duplicate, and as many additional copies as the Escrow Holder may deem necessary, with instructions to the Escrow Holder to mail the original of the Notice to the Buyer by registered or certified mail. The duplicate Notice shall be retained with the escrow file.

7. Notices or other written communications placed in the United States mail, postage prepaid and addressed to the undersigned, or any of them, at Sellers post office address, shall be deemed to have given to Seller on the date of mailing.

8. It shall be the duty of the parties hereto to keep the escrow department of the Escrow Holder advised of a change of address. Such advice shall sufficiently identify the escrow concerned and the parties involved and shall be mailed by certified or registered mail with return receipt requested to the escrow department of the Escrow Holder and to all parties concerned. All notices given pursuant to the terms of any document placed in this escrow must be given through the Escrow Holder as hereinabove provided at the expense of the party giving notice and the Escrow Holder shall not be required to recognize service of notice given in any other manner. The Escrow Holder shall not be responsible for any damages arising out of or relating to the failure of any party to comply with such notice and mailing requirements.

First American Title Company of Idaho, Inc.

File No.: 4104-765685 (KSB)

Date: February 24, 2006

9. The Buyer agrees that should a Notification of Default be forwarded to him as set forth above, that, unless Buyer advises the Escrow Holder in writing, within the time allowed in the contract for correction of default, that the terms of the contract are not in default or that the default has been satisfied, the Escrow Holder shall not be or become liable to the buyer for the delivery of the escrowed papers to the Seller.

10. Seller agrees that should a default be declared and Buyer subsequently deposits any monies or papers with the Escrow Holder to cure said default, the Escrow Holder may, at its option, refuse to release said monies or papers to the Seller until the Seller acknowledges to the Escrow Holder that the default is satisfied or cancelled.

11. In the event that this escrow is cancelled or forfeited, it is agreed that the Escrow Holder may return the documents to the Seller, his heirs, executors, administrators or assigns on demand. The Escrow Holder may retain the contract, amendments thereto, the escrow instructions, and any assignments or correspondence which it may have received in connection with this escrow.

12. Escrow Holder assumes no responsibility for determining that the parties to the escrow have complied with the requirements of the Truth in Lending, Consumer Credit Protection Act (Public law 90-321), or similar laws.

13. Enclosed are the following documents to be placed in escrow: **Note, Deed of Trust, Request for Reconveyance, W-9's**

14. The Escrow Holder's fees and collection charges shall be divided equally between the Buyer and Seller unless otherwise indicated herein by **checking one** of the following:

☒ BUYER \$135.00 ☐ SELLER \$135.00

Collection Fee:	Monthly	\$ 10.00	(one disbursement)	Filing Fee	\$ 260.00
	Annually	\$	(one disbursement)		

15. Buyer is given the privilege of prepaying any payment due under said contract at any time.

16. Interest at the rate of **6.000%** per annum shall commence **3-2-06** and shall be computed on the unpaid principal balance to date of payment each time a payment is made.

17. All payments shall be credited first to the interest then due, and the balance to the principal.

18. When you receive the unpaid principal of **\$70,000.00** and interest for Seller, you shall deliver all of the above documents except the contract, subsequent assignments, supplemental agreements, and escrow instructions to the Buyer, or his order, and, thereby, close your escrow.

19. Until further written notice to you, signed by each Seller, payments as received on this escrow shall be disposed of as follows:

☐ Checking ☐ Savings ☐ Other

20. Any instrument or document placed in escrow herewith at this time, or hereafter, is accepted upon the condition that the Escrow Holder may at its option for any reason, within 15 days from the deposit of such instrument, refuse to accept the same; in which event the Escrow Holder shall notify all parties hereto in writing of such refusal and shall return such instruments, together with the fee paid in connection therewith to the party or parties depositing the same.

21. It shall be the sole responsibility of the Buyer and Seller to see that insurance is kept in force on the property and that real property taxes are paid in the proper manner and the Escrow Holder shall have no responsibility or liability for lack or insufficiency of insurance or lack of payment of taxes.

22. The Escrow Holder shall have a lien upon all monies, papers and properties held by it in connection herewith for any fees, costs or expenses due it hereunder.

23. In case any party shall assign his rights under any documents deposited hereunder, or should any party create in a third party any right, interest, lien or encumbrance under any document deposited hereunder or in the property covered by these escrow instructions, if such assignment or creation of rights in a third party is made without payment of the Escrow Holder's filing fee, the Escrow Holder, as a matter of accommodation to the parties will make a reasonable effort to comply with such assignment or creation of rights upon satisfactory notification given to it. The Escrow Holder shall not, however be bound by any such notification given it by a party hereto or a third party and shall under no circumstances and in no manner be liable to the parties hereto or any third party, for any damages arising out of or related to its acts connected with such assignment or creation of rights. The Escrow Holder shall not be held to notice of any restrictions upon or prohibition against any such assignment or creation of rights contained in any document deposited hereunder.

24. We have read the foregoing instructions, understand the contents thereof, and agree that FATC, in the administration of this escrow, is bound only and solely by the foregoing written instructions, and such further written and signed instructions as we may hereafter deliver to said Company and the same be accepted by it in writing.

First American Title Company of Idaho, Inc.

File No.: 4104-765685 (KSB)
Date: February 24, 2006

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the _____ day of _____, 20____.

25. SIGNATURES:

COMPLETE ADDRESS (Please print):

x A. Ralph Aunmy
Social Security Number: 519-70-6116
x Jeri A. Gurney
Social Security Number: 519-72-4877
x _____
Social Security Number: _____
x _____
Social Security Number: _____

1111 W. Central Rd
Emmett Id Zip 83617
1111 W. Central Rd
Emmett, ID Zip 83617

_____ Zip _____

26. The undersigned Company hereby acknowledges receipt of the documents described in the foregoing agreement, and agrees to hold and dispose of the same in accordance with the instructions and upon the terms and conditions above set forth.

Date Received: _____ By: _____

Save time and postage! Sign up for an Automatic payment today!

Please complete this form and return to First American Specialty Services, P.O. Box 580, Blackfoot, Idaho 83221 if you wish to establish an ACH Transfer to make your monthly payments.

I/We authorize First American Specialty Services to charge my _____ checking ☒ savings account number _____, routing number _____ at _____ (Name of Financial Institution) in the sum of \$ 501.50 (INCLUDING any escrow fees) on the 1st day of each month beginning April 2006 (month, day and year) for payment application to Escrow Account # _____. I/We understand that should the due date fall on a Saturday, Sunday, or Holiday, my payment will be credited on the next business day.

In the event the buyers(s) bank reverses a credit through the automatic debit withdrawal, for any reason, the Escrow holder reserves the right to immediately cancel the ACH transfer option.

I/We also understand that any changes to the above information must be provided to First American Specialty Services in writing 10 days prior to the withdrawal date.

A. Ralph Durney
Authorized Signature

2/28/06
Date

To ensure we have the proper bank routing and account number, we request that you attach a check or savings withdrawal slip from your bank.

Please Note the following dates, as our Office will be closed:

January 17 th	Martin Luther King Day
February 21 st	President's Day
May 30 th	Memorial Day
July 4 th	Independence Day
September 5 th	Labor Day
October 10 th	Columbus Day
November 11 th	Veteran's Day
November 24 th	Thanksgiving Day
***December 26 th	Christmas Day
***January 2 nd	New Years Day

*** We will be observing the Christmas Holiday on Monday the 26th

*** We will be observing the New Years Day on Monday the 2nd

REQUEST FOR RECONVEYANCE

**THE PROMISSORY NOTE OR NOTES, DEED OF TRUST AND ANY
EVIDENCES OF FURTHER AND/OR ADDITIONAL ADVANCES
MUST BE PRESENTED WITH THIS REQUEST.**

File No.: **4104-765685 (KSB)**

Date: **February 24, 2006**

TO: **First American Title Company of Idaho, Inc.**

You are hereby authorized and requested to execute a reconveyance to the Trustor(s) under Deed of Trust dated **February 24, 2006**, and recorded on **March _____, 2006**, under Instrument No. _____, records of **Valley County, Idaho**, executed by **A. Ralph Gurney and Lori A. Gurney, husband and wife to Ann C. Finney and Lawrence M. Finney; Kathryn E. Tam and Gail E. Tam.**

The Undersigned hereby certifies that **Ann C. Finney and Lawrence M. Finney; Kathryn E. Tam and Gail E. Tam**, is the owner and holder of the debt mentioned in said Deed of Trust and that the same has never been assigned or transferred.

Ann C. Finney

Lawrence M. Finney

Kathryn E. Tam

Gail E. Tam

READ AND APPROVED:

BY: _____

BY: _____

DATE: _____

STATE OF California)
SS.

COUNTY OF _____)

On this _____ day of **February, 2006**, before me, a Notary Public in and for said State, personally appeared **Ann C. Finney and Lawrence M. Finney and Kathryn E. Tam and Gail E. Tam**, known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they 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 the State of California

Residing at: ,

My Commission Expires:

AFTER RECORDING MAIL TO:

A. Ralph Gurney and Lori A. Gurney
1500 S. Washington, Suite A
Emmett, ID 83617

READ AND APPROVED:

BY:

BY:

DATE:

A. Ralph Gurney
Lori A. Gurney
2-27-06

WARRANTY DEED

File No.: **4104-765685 (KSB)**

Date: **February 24, 2006**

For Value Received, **Ann C. Finney and Lawrence M. Finney, wife and husband and Kathryn E. Tam and Gail E. Tam, wife and husband**, hereinafter referred to as Grantor, does hereby grant, bargain, sell and convey unto **A. Ralph Gurney and Lori A. Gurney, husband and wife**, hereinafter referred to as Grantee, whose current address is **1500 S. Washington, Suite A, Emmett, ID 83617**, the following described premises, situated in **Valley County, Idaho**, to wit:

Lot 2, VICKERY SUBDIVISION according to the Official Plat in the Office of the Recorder, Valley County, Idaho, recorded May 9, 1983, as Instrument No. 127729 in Book 7 of Plats, at Page 87.

APN: **RP-00356000020A**

TO HAVE AND TO HOLD the said premises, with their appurtenances, unto said Grantee, and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record and easements visible upon the premises, and that Grantor will warrant and defend the same from all claims whatsoever.

Ann C. Finney

Lawrence M. Finney

Kathryn E. Tam

Gail E. Tam

Warranty Deed
- continued

STATE OF California)
) ss.
 COUNTY OF _____)

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 the State of California
Residing at: ,
My Commission Expires:

**Request for Taxpayer
Identification Number and Certification**

Give form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) X A. Ralph Curney	
	Business name, if different from above	
	Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ _____	
	☐ Exempt from backup withholding	
	Address (number, street, and apt. or suite no.) X 1111 W. Central Rd	
City, state, and ZIP code X Emmett, Id. 83617		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
X	5	1	9	7	0	6	1	6
or								
Employer identification number								

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person X A. Ralph Curney	Date X 2/27/06
-----------	---	-----------------------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnership. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and

• The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S. – China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S. – China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II Instructions on page 4 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter the "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

- 1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
- 2. The United States or any of its agencies or instrumentalities,
- 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
- 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
- 5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

- 6. A corporation,
- 7. A foreign central bank of issue,
- 98 A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
- 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
- 10. A real estate investment trust,
- 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
- 12. Common trust fund operated by a bank under section 584(a),
- 13. A financial institution,
- 14. A middleman known in the investment community as a nominee or custodian, or
- 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

If the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹ See Form 1099-Misc, Miscellaneous Income, and its instructions.
² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.socialsecurity.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt from Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number to Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use SSN.

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Reproduced by First American Title Insurance 12/2005

**Request for Taxpayer
Identification Number and Certification**

Give form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) X Jori A. Gurney	
	Business name, if different from above	
	Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶	
	Exempt from backup withholding ☐	
	Address (number, street, and apt. or suite no.) X 1111 W. Central Rd	
City, state, and ZIP code X Emmett, ID 83617		
List account number(s) here (optional)		
Requester's name and address (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
X 5	1	9	7	2	4	8	7	7
or								
Employer identification number								

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person X Jori A. Gurney	Date X 2-27-06
-----------	--	-----------------------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnership. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and

- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S. – China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S. – China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II Instructions on page 4 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter the "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
98. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. Common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

If the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹ See Form 1099-Misc, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.socialsecurity.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt from Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number to Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use SSN.

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Reproduced by First American Title Insurance 12/2005