

WA

TIMBERLINE TITLE & ESCROW, INC.
204 ILLINOIS AVENUE
P.O. BOX 6
COUNCIL, ID 83612
(208)253-6886
FAX(208)253-6887
cward@timberlinetitle.com

AUG 01 2006
RECEIVED
AUG 01 2006
DEPARTMENT OF
WATER RESOURCES

July 28, 2006

Idaho Dept. of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

ATTN: Kara A. Alder

RE: Assignment of Water Right Permit No. 67-14496

Dear Ms. Alder:

AIRDOG, LLC, has provided us with a copy of your letter dated July 7, 2006, and has requested that we provide you with a chain of title in regards to the above referenced water right permit.

Enclosed, you will find the chain of title from October 30, 1996 to present. As the application date for the permit was in 2004, we felt this should be sufficient. However, please do let us know if you wish to go back farther.

Mr. Sam Davis was a lessee of the Ferd and Margaret Muller Trust, dba Council Golf & Country Club—this was an unrecorded and verbal lease—and he operated the golf course for a period of time. We have discussed this lease situation in the past with Margaret Muller and are fully aware that she had given him authority to operate and improve the golf course during the lease; however, he has never been in title to the property and is no longer lessee.

If there is any further documentation that we can provide, do not hesitate to let us know. Thank you.

Sincerely,


Christy A. Ward
Escrow Officer

pc: AIRDOG, LLC
M. Muller

INSTRUMENT NO. 91025

SPECIAL WARRANTY DEED

GRANTOR:

FERD MULLER and MARGARET A. MULLER, husband and wife.

GRANTEE:

FERD MULLER AND MARGARET A. MULLER, AS CO — TRUSTEES OF
THE FERD AND MARGARET MULLER TRUST UNDER TRUST AGREE-
MENT DATED DECEMBER 12, 1991, AND THEIR SUBSTITUTES AND
SUCCESSORS AS TRUSTEE THEREUNDER.

GRANTEE'S ADDRESS FOR TAX PURPOSES:

P.O. BOX 7 COUNCIL, IDAHO 83612

DESCRIPTION OF REAL PROPERTY CONVEYED BY THIS DEED:

Situated in the County of Adams, State of Idaho:

The real estate more particularly described upon Exhibit "A" attached hereto and
by this reference incorporated herein and made a part hereof.

FOR GOOD AND SUFFICIENT CONSIDERATION, the above-named Grantor
does hereby GRANT and CONVEY unto the above-named Grantee, the real property above
described, together with the appurtenances. This deed is given for estate planning purposes,
without valuable consideration in cash or property, to vest title to the property in a living trust
established by Grantor parties.

Grantor WARRANTS that Grantor has good right and authority to execute and
deliver this deed to the Grantee, and that Grantor is the owner in fee simple of said premises,
subject only to those encumbrances of record, if any, which were made, suffered, or assumed by
the Grantor.

The singular terms "Grantor" and "Grantee" as used in this instrument shall be
construed to include the plural.

DATED: 10-30-96

Ferd Muller
FERD MULLER
Margaret Muller
MARGARET MULLER

STATE OF IDAHO

COUNTY OF Adams

INSTRUMENT NO. 91025

State of Idaho)
County of Adams) ss.

Filed for record at the request of

Margaret Muller
30 min. past 2 o'clock P.M.
this 30 day of Oct, 1996

MICHAEL RISK, RECORDER
by Deputy Deputy

Fee \$6.00

Return to: Margaret Muller
Box 7
Council, ID
83612

On this 30th day of October, 1996 before me,
a Notary Public in and for said State, personally appeared
FERD MULLER and MARGARET A. MULLER, known or
identified to me to be the persons whose names are sub-
scribed to the within instrument, and acknowledged to me
that they executed the same. Anna Michael
Notary Public for: Idaho
Residing at: Council
Comm. Expires: 10-07-00

INSTRUMENT NO. 9165

EXHIBIT "A" TO
SPECIAL WARRANTY DEED
LEGAL DESCRIPTION OF PROPERTY

JOR COPY

INSTRUMENT NO. 87602

JOB #050583

MAY 31, 1983

EXHIBIT "A"

This parcel is a portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$, of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ and of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 15 and also a portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 22, Township 16 North, Range 1 West of the Fifth Meridian and is more particularly described as follows:

COMMENCING at the southwest corner of said SW $\frac{1}{4}$ NE $\frac{1}{4}$;

Thence North 0°12'29" West along the westerly boundary of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ a distance of 630.67 feet to a point which lies 670.00 feet southerly from the northwest corner of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ and which point is also the TRUE POINT OF BEGINNING;

Thence North 60°12'29" West a distance of 282.00 feet to the easterly right-of-way of U.S. Highway 95;

Thence following said right-of-way along a curve to the right having a central angle of 50°39'48", a radius of 1117.00 feet and a long chord which bears North 27°18'03" East a distance of 109.97 feet;

Thence continuing along said right-of-way North 30°07'57" East a distance of 126.21 feet;

Thence South 76°56'04" East a distance of 342.66 feet;

Thence South 89°51'58" East a distance of 56.16 feet;

Thence North 45°00'02" East a distance of 565.68 feet to the northerly boundary of said SW $\frac{1}{4}$ NE $\frac{1}{4}$;

Thence South 89°51'58" East along said northerly boundary a distance of 624.13 feet to the intersection with the westerly boundary of the Council Golf and Country Club Subdivision an said Subdivision is shown in Book 1 of Plats in the Office of the Recorder for Adams County;

Thence traversing the boundary of said Subdivision as follows:

South 13°18'50" West a distance of 370.25 feet;

Southeasterly along a curve to the left having a central angle of 184°15'42", a radius of 50.00 feet and a long chord which bears South 18°49'01" East a distance of 99.93 feet;

South 20°56'55" East a distance of 43.57 feet;

South 89°55'47" East a distance of 190.00 feet;

North 0°21'16" West a distance of 260.00 feet;

South 89°55'47" East a distance of 700.09 feet;

North 68°13'09" East a distance of 134.25 feet;

South 89°55'17" East a distance of 150.00 feet;

South 0°21'16" East a distance of 155.02 feet;

South 0°15'50" West a distance of 800.09 feet;

South 0°00'49" West a distance of 400.04 feet;

North 89°55'40" East a distance of 90.03 feet;

South 0°04'54" West a distance of 199.38 feet;

South 89°52'37" East a distance of 110.12 feet;

Southeasterly along a curve to the left having a central angle of 204°12'34", a radius of 50.00 feet, and a long chord which bears South 12°01'23" East a distance of 97.78 feet to the easterly boundary of said NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 22;

Thence South 0°06'19" East along said easterly boundary a distance of 782.10 feet to the southeast corner of said NE $\frac{1}{4}$ NE $\frac{1}{4}$;

Thence North 89°50'14" West along the southerly boundary of said NE $\frac{1}{4}$ NE $\frac{1}{4}$ a distance of 192.52 feet;

Thence North 25°34'57" West a distance of 1350.19 feet;

Thence North 45°42'08" West a distance of 181.63 feet;

Thence North 88°18'59" West a distance of 256.40 feet;

Thence North 66°31'38" West a distance of 170.20 feet;

Thence North 83°08'43" West a distance of 804.37 feet;

Thence North 49°37'19" West a distance of 422.97 feet;

Thence North 42°26'59" West a distance of 152.72 feet;

Thence North 60°12'29" West a distance of 100.00 feet to the TRUE POINT OF BEGINNING;

This parcel contains 67.28 acres.

101236 INSTRUMENT NO.

INSTRUMENT NO.

PAGE

OF

QUIT CLAIM DEED

For Value Received FERD MULLER AND MARGARET MULLER, aka MARGARET A. MULLER, husband and wife

does hereby convey, release, remise and forever quit claim unto FERD MULLER AND MARGARET A. MULLER, AS CO-TRUSTEES OF THE FERD AND MARGARET MULLER TRUST UNDER TRUST AGREEMENT DATED DECEMBER 12, 1991, AND THEIR SUBSTITUTES AND SUCCESSORS AS TRUSTEE THEREUNDER

whose address is P.O. Box 7, Council, ID 83612

the following described premises, to-wit:

Lots 12 and 14 of the Council Golf and Country Club Subdivision as set forth on the official plat on file and of record in the office of the Adams County Recorder, Book 1. Page 36.

Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9 of the the Fairway View Subdivision as set forth on the official plat on file and of record in the office of the Adams County Recorder, Book 2 of plats. page 24.

Township 16 North, Range 1 West, Boise Meridian, Adams County, Idaho Section 15: a parcel within the NE1/4SE1/4, more particularly described as follows:

Beginning at the SE corner of said NE1/4SE1/4, the REAL POINT OF BEGINNING;

Thence North along the East boundary of said NE1/4SE1/4 a distance of 300 feet more or less to a point of intersection with the South Boundary of the County Road right of way;

Thence West 50 feet;

Thence South parallel to the East boundary 300 feet more or less to a point on the South line of said NE1/4SE1/4;

Thence East 50 feet more or less to the POINT OF BEGINNING.

A parcel of land in the SE1/4SE1/4 of Section 15 and the NE1/4NE1/4 of Section 22, Township 16 North Range 1 West, Boise Meridian, Adams County, Idaho, and is more particularly described as follows:

Beginning at the NW corner of said NE1/4NE1/4 ;

Thence North 0° 05'39" East along the Westerly boundary of said SE1/4SE1/4 a distance of 103.60 feet;

Thence South 66° 31'38 East a distance of 166.13 feet;

Thence South 88° 18'59" East a distance of 256.40;

Thence South 45° 42'08 East a distance of 181.63 feet;

Thence South 24° 34'57" East a distance of 1350.19 feet to the Southerly boundary of said NE1/4NE1/4;

Thence North 89° 50'14" West along said Southerly boundary a distance of 1119.99 feet to the SW corner of said NE1/4NE1/4;

Thence North 0° 04'55" West a distance of 1311.60 feet to the TRUE POINT OF BEGINNING.

This parcel contains 24.69 acres and is subject to a 25.00 foot easement along the Northeasterly boundary.

Date: March 6, 2002

Ferd Muller by Margaret Muller
FERD MULLER, by Margaret Muller his attorney in fact

Margaret Muller
MARGARET MULLER

STATE OF IDAHO)
County of Adams) ss

On this 6th day of March in the year of 2002,
before me, a Notary Public in and for the said
State, personally appeared MARGARET MULLER
known or identified to me to be the person whose
name is subscribed to the within instrument, and
acknowledged to me that she executed the same.

Mel E. Wilson
Notary Public for Idaho
Residing at: Council
Commission expires: 5-22-04

STATE OF IDAHO)
County of Adams) ss

On this 6th day of March, in the year of 2002, before me, a Notary Public in
and for said State, personally appeared MARGARET MULLER, known or identified
to me to be the person whose name is subscribed to the within instrument as
the attorney in fact of FERD MULLER and acknowledged to me that she
subscribed the name of FERD MULLER thereto as principal, and her own name as
attorney in fact.

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

Mel E. Wilson
Notary Public for Idaho
Residing at Council
Commission expires: 5/22/04

Instrument # 101236

COUNCIL, ADAMS, IDAHO

2007-03-06

10:10:42 No. of Pages: 2

Recorded for: TIMBERLINE TITLE & ESCROW

MICHAEL FISK

Fee: 6.00

Ex-Officio Recorder Deputy

Index to DEED

For Value Received, MARGARET A. MULLER, surviving trustee of the FERD AND MARGARET MULLER TRUST, uta dated December 12, 1991

the grantor, does hereby grant, bargain, sell and convey unto AIRDOG, LLC, a Washington limited liability company

the grantee, whose current address is 1019 Pacific Ave., #916, Tacoma, WA 98402

the following described premises, in Adams County, Idaho, to-wit:

SEE ATTACHED EXHIBIT 'A' MADE A PART HEREOF

GRANTOR reserves the right to access and maintain domestic well sites located on subject property and which serve retained property and subdivision. The location of the two wells referenced above are as follows: Well #1 is in the area of the existing clubhouse near the road known as Muller Lane; Well #2 is approximately 150' South of Lot 28 of the Council Golf & Country Club Subdivision and 50' West of the centerline of Country Club Drive extended Southerly.

TO HAVE AND TO HOLD THE said premises, with their appurtenances unto the said Grantee, its heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that they are the owner in fee simple of said premises; that they are free from all encumbrances excepting for all easements of record, rights of way, matters visible, and all matters of record and title and that they will warrant and defend the same from all lawful claims whatsoever.

Date: June 7, 2006

FERD AND MARGARET MULLER TRUST,
uta dated December 12, 1991

BY: Margaret A. Muller
MARGARET A. MULLER, Surviving Trustee

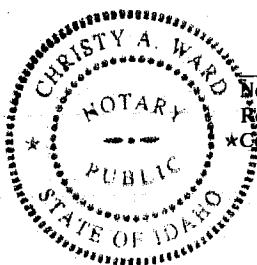
Instrument # 111893

COUNCIL, ADAMS, IDAHO
2006-06-15 10:14:07 No. of Pages: 4
Recorded for: TIMBERLINE-TITLE & ESCROW
MICHAEL FISK Rep: 12.00
Ex-Officio Recorder Deputy Michael Fisk
Index to: DEED

STATE OF Idaho)
COUNTY OF Adams) ss

On this 14 day of June, in the year of 2006, before me, a Notary Public in and for said State, personally appeared MARGARET A. MULLER

known or identified to me to be the person(s) whose name(s) is/are subscribed to the within instrument as surviving Trustee of the FERD AND MARGARET MULLER TRUST, uta dated December 12, 1991, and acknowledged to me he/she/they executed the same as Trustee.



Christy A. Ward
Notary Public
Residing at: Indian Valley, Idaho
*Commission expires: 9-17-10

Parcel 1

Township 16 North, Range 1 West, Boise Meridian, Adams County, Idaho

A parcel of land located in the SE1/4SW1/4, the SW1/4SE1/4 and the SE1/4SE1/4 of Section 15 and the NE1/4NE1/4 of Section 22 more particularly described as follows:

Commencing at the Northwest corner of said SW1/4SE1/4;
 Thence North 0° 12' 29" West along the Westerly boundary of said SW1/4SE1/4 a distance of 630.67 feet to a point which lies 670.00 feet Southerly from the Northwest corner of said SW1/4SE1/4 and which point is also the TRUE POINT OF BEGINNING;
 Thence North 60° 12' 29" West a distance of 282.00 feet to the Easterly right-of-way of U.S. Highway 95;
 Thence following said right-of-way along a curve to the right having a central angle of 5° 39' 48", a radius of 1113.00 feet and a long chord which bears North 27° 18' 03" East a distance of 109.97 feet;
 Thence continuing along said right-of-way, North 30° 07' 57" East a distance of 126.21 feet;
 Thence South 76° 56' 04" East a distance of 342.66 feet;
 Thence South 89° 51' 58" East a distance of 56.16 feet;
 Thence North 45° 08' 02" East a distance of 565.68 feet to the Northerly boundary of said SW1/4SE1/4;
 Thence South 89° 51' 58" East along said Northerly boundary a distance of 624.13 feet to the intersection with the Westerly boundary of the Council Golf and Country Club Subdivision as said subdivision is shown in Book 1 of Plats page 36, in the office of the Adams County Recorder, Adams County, Idaho;
 Thence traversing the boundary of said subdivision as follows:
 South 13° 18' 50" West a distance of 370.25 feet;
 Thence Southeasterly along a curve to the left having a central angle of 184° 15' 42", a radius of 50.00 feet and a long chord which bears South 18° 49' 01" East a distance of 99.93 feet;
 Thence South 20° 56' 55" East a distance of 43.57 feet;
 Thence South 89° 55' 47" East a distance of 190.00 feet;
 Thence North 0° 21' 18" West a distance of 260.00 feet;
 Thence South 89° 55' 47" East a distance of 700.09 feet;
 Thence North 68° 13' 09" East a distance of 134.28 feet;
 Thence South 89° 55' 17" East a distance of 150.00 feet;
 Thence South 0° 21' 16" East a distance of 155.02 feet;
 Thence South 0° 15' 50" West a distance of 800.09 feet;
 Thence South 0° 00' 49" West a distance of 400.04 feet;
 Thence North 89° 55' 40" East a distance of 90.03 feet;
 Thence South 0° 04' 54" West a distance of 199.88 feet;
 Thence South 89° 52' 39" East a distance of 110.12 feet;

CONTINUED

PARCEL 1 CONTINUED

Thence Southeasterly along a curve to the left having a central angle of $204^{\circ} 12' 34''$, a radius of 50.00 feet, and a long chord which bears South $12^{\circ} 01' 23''$ East a distance of 97.78 feet to the Easterly boundary of said NE1/4NE1/4 of said Section 22, T16NR1WBM;
 Thence South $0^{\circ} 06' 19''$ East along said Easterly boundary a distance of 782.10 feet to the Southeast corner of said NE1/4NE1/4;
 Thence North $89^{\circ} 50' 14''$ West along the Southerly boundary of said NE1/4NE1/4 a distance of 192.52 feet;
 Thence North $24^{\circ} 34' 57''$ West a distance of 1350.19 feet;
 Thence North $45^{\circ} 42' 08''$ West a distance of 181.63 feet;
 Thence North $88^{\circ} 18' 59''$ West a distance of 256.40 feet;
 Thence North $66^{\circ} 31' 38''$ West a distance of 170.20 feet;
 Thence North $83^{\circ} 08' 43''$ West a distance of 804.37 feet;
 Thence North $49^{\circ} 37' 19''$ West a distance of 422.97 feet;
 Thence North $42^{\circ} 26' 59''$ West a distance of 152.72 feet;
 Thence North $60^{\circ} 12' 29''$ West a distance of 100.00 feet to the TRUE POINT OF BEGINNING. (RP16N01W157003A)

EXCEPTING THEREFROM the following parcel of land situated in the SE1/4SW1/4 and the SW1/4SE1/4 of Section 15, T16NR1WBM, more particularly described as follows:

Commencing at the Northeast corner of said SE1/4SW1/4;

Thence South $21^{\circ} 41' 37''$ West a distance of 347.63 feet to a $\frac{1}{2}$ inch diameter rebar on the Easterly right-of-way boundary of U.S. Highway 95 marking the TRUE POINT OF BEGINNING;

Thence South $76^{\circ} 56' 04''$ East a distance of 342.66 feet to a $\frac{1}{2}$ inch diameter rebar;

Thence South $89^{\circ} 51' 58''$ East a distance of 56.16 feet to a $\frac{1}{2}$ inch diameter rebar;

Thence South $02^{\circ} 28' 24''$ West a distance of 111.39 feet;

Thence South $01^{\circ} 04' 11''$ East a distance of 8.30 feet;

Thence South $51^{\circ} 00' 15''$ West a distance of 92.14 feet;

Thence South $61^{\circ} 49' 49''$ West a distance of 36.89 feet;

Thence South $80^{\circ} 54' 44''$ West a distance of 51.06 feet;

Thence South $10^{\circ} 41' 23''$ West a distance of 48.96 feet;

Thence South $03^{\circ} 21' 50''$ East a distance of 58.32 feet;

Thence South $00^{\circ} 12' 19''$ East a distance of 11.72 feet to a $\frac{1}{2}$ inch diameter rebar;

Thence North $60^{\circ} 12' 29''$ West a distance of 100.00 feet to a $\frac{1}{2}$ inch diameter rebar, from which point the Southwest corner of said

SW1/4SE1/4 bears South $00^{\circ} 12' 29''$ East a distance of 630.67 feet;

Thence North $60^{\circ} 12' 29''$ West a distance of 282.00 feet to a $\frac{1}{2}$ inch diameter rebar on the Easterly right-of-way boundary of U.S. Highway

95;

Thence Northeasterly 110.01 feet along said right-of-way boundary on

the arc of a curve to the right having a radius of 1113.00 feet, a

central angle of $5^{\circ} 39' 48''$, and a long chord which bears North 27°

$18' 03''$ East a distance of 109.97 feet to a $\frac{1}{2}$ inch diameter rebar;

Thence North $30^{\circ} 07' 57''$ East a distance of 37.66 feet along said

right-of-way boundary to a $\frac{1}{2}$ inch diameter rebar;

Thence North $30^{\circ} 07' 57''$ East a distance of 88.55 feet along said

right-of-way boundary to the TRUE POINT OF BEGINNING.

CONTINUED