

ALTA Commitment Form

COMMITMENT FOR TITLE INSURANCE

Issued by



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

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

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

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

This commitment shall not be valid or binding until countersigned by a validating officer or authorized signatory.

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

Countersigned:

Authorized Countersignature



Senior Chairman of the Board

Chairman of the Board

President



Stewart Title of Colorado - Telluride Division
335 West Colorado Avenue, P.O. Box 1440
Telluride, Colorado 81435
Phone Number: (970) 728-3025

**COMMITMENT FOR TITLE INSURANCE
SCHEDULE A**

1. **Effective Date:** September 11, 2007 at 7:45 a.m. **Order No.** 7080021 **Amendment No.** 1

2. **Policy or Policies To Be Issued:** **Amount of Insurance**
(a) A.L.T.A. Owner's (Standard) **TO BE DETERMINED**

Proposed Insured: TBD

(b) A.L.T.A. Loan

3. **The estate or interest in the land described or referred to in this Commitment and covered herein is:**

FEE SIMPLE AND EASEMENT

4. **Title to the estate or interest in said land is at the effective date hereof vested in:**

LAST DOLLAR RANCH LLLP, A COLORADO LIMITED LIABILITY LIMITED PARTNERSHIP

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

See "Exhibit A" attached hereto

STATEMENT OF CHARGES

These charges are due and payable
before a Policy can be issued:

2006 Owner's Premium	\$	TBD
Tax Certificate	\$	10.00

EXHIBIT "A"

SE/4 NE/4, E/2 SE/4 Section 11, S/2 SW/4, SW/4 NW/4, NW/4 SW/4 Section 12, all in Township 44 North, Range 10 West, N.M.P.M., County of San Miguel, State of Colorado.

N/2 NW/4 Section 13, NE/4 NE/4 Section 14, all in Township 44 North, Range 10 West, N.M.P.M., County of San Miguel, State of Colorado.

A tract of land located in the SE/4 NW/4 and in the NE/4 SW/4 of Section 12, Township 44 North, Range 10 West, N.M.P.M., described as follows: Beginning at the point of intersection of an existing fence and the West boundary of said SE/4 NW/4 whence the Northwest corner of said SE/4 NW/4 bears North 00°10'01" East 715.33 feet and the W/4 corner of said Section 12 bears South 65°36'44" West 1447.81 feet; thence South 03°45'45" East along said fence and an extension of said fence 1941.19 feet, more or less, to the South boundary line of said NE/4 SW/4; thence North 89°06'54" West along said South boundary line 138.94 feet, more or less, to the Southwest corner of said NE/4 SW/4; thence North 00°25'24" East 1319.89 feet along the West boundary line of said NE/4 SW/4 and North 00°10'01" East 617.16 feet along the West boundary line of said SE/4 NW/4, more or less, to the point of beginning, as modified by the Boundary Agreement Survey & Plat, recorded in Plat Book 1 at page 2904.

A tract of land situated in the NW/4 NW/4 Section 12, Township 44 North, Range 10 West, New Mexico Principal Meridian, San Miguel County, Colorado, more particularly described as follows: Beginning at a point on the South line of the NW/4 NW/4 of said Section 12 from whence the Southeast corner of the NW/4 NW/4 of said Section 12 bears S 89°29'46" E 18.58 feet; Thence N 89°29'46" W 69.71 feet along the south line of the NW/4 NW/4 of said Section 12 to the South Right-of-Way of Last Dollar Road (60 Ft. R.O.W.); thence 73.44 feet along said South R.O.W. on the arc of a curve to the left having a Radius of 430.00 feet, a central angle of 09°47'06" and a Chord of N 69°40'20" E 73.35 feet; Thence S 02°02'46" E 26.11 feet to the point of beginning.

TOGETHER WITH a thirty (30) foot non-exclusive easement for road right-of-way purposes along and including the existing private road, which was used by Donald L. Williams, Robert D. Corey and Joan LaVelle Corey and others as access to their respective properties as of December 19, 1986, with all gates leading to and from the road right-of-way closed and locked when not in use, and more particularly described as follow: the West boundary line of said thirty (30) foot easement is described as a line which commences at a point on the North boundary line of the SW/4 NW/4 Section 12, 53.66 feet West of the Northeast corner thereof; thence South 04°07'25" East 717.19 feet; thence South 03°45'45" East 1941.19 feet, more or less, to the South boundary line of said NE/4 SW/4, and the East boundary line of said easement is parallel to said West boundary line and thirty (30) feet easterly measured perpendicularly to said West boundary line; SUBJECT TO any existing ditches and culverts crossing said easement.

LESS AND EXCEPT a tract of land beginning at the point of intersection of an existing fence and the West boundary of SE/4 NW/4 Section 12, Township 44 North, Range 10 West, N.M.P.M., whence the Northwest corner of said SE/4 NW/4 bears North 00°10'01" East 715.33 feet and the W/4 corner of said Section 12 bears South 65°36'44" West 1447.81 feet; thence North 04°07'25" West 717.19 feet to the North boundary line of SW/4 NW/4 of said Section 12; thence East along said North boundary line 53.66 feet to the Northeast corner of said SW/4 NW/4; thence South

00°10'01" West 715.33 feet to the point of beginning, as modified by the Boundary Agreement Survey & Plat, recorded in Plat Book 1 at page 2904.

LESS AND EXCEPT a tract of land located in the Northeast corner of the SE/4 SW/4 Section 12, Township 44 North, Range 10 West, N.M.P.M., described as follows: Beginning at the Northeast corner of said SE/4 SW/4 whence the W/4 corner of said Section 12 bears North 62°37'42" West 2957.12 feet; thence South 00°19'46" West 800.00 feet along the East boundary of said SE/4 SW/4; thence North 37°40'41" West 1023.07 feet to a point on the North boundary of said SE/4 SW/4; thence South 89°06'54" East 630.00 feet to the point of beginning.

LESS AND EXCEPT a tract of land described as follows: Commencing at the S/4 corner of Section 12, Township 44 North, Range 10 West, N.M.P.M., established by Plat of Survey made by John A. Kruse, dated 6/14/88; thence North 89°04'31" West 20.01 feet to the S/4 corner of the same Section 12, as surveyed by Smith & Associates; thence North 05°50'07" East 200.72 feet to a point in an existing fence on the West boundary line of the SW/4 SE/4 said Section 12; thence South 00°06'52" West 200.00 feet along said West boundary line to the point of beginning.

EXCEPTING THEREFROM any and all oil, gas, minerals or other hydrocarbons,

County of San Miguel, State of Colorado.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B – Section 1 REQUIREMENTS

Order Number: 7080021-1

The following are the requirements to be complied with:

1. Payment to or for the account of the grantor(s) or mortgagor(s) of the full consideration for the estate or interest to be insured.
2. Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record.
3. Release of Deed of Trust dated July 13, 2007, executed by Last Dollar Ranch, LLLP, a Colorado limited liability limited partnership, to the Public Trustee of San Miguel County, to secure an indebtedness of [REDACTED], in favor of MontroseBank, recorded July 20, 2007 at Reception No. 395266.
4. Release of Deed of Trust dated July 13, 2007, executed by Last Dollar Ranch, LLLP, a Colorado limited liability limited partnership, to the Public Trustee of San Miguel County, to secure an indebtedness of [REDACTED], in favor of MontroseBank, recorded July 20, 2007 at Reception No. 395267; MODIFICATION recorded August 13, 2007 at Reception No. 395718.
5. Receipt of satisfactory plat of survey. NOTE: Policy will contain an exception to all matters as disclosed on survey.
6. Execution of the approved lien affidavit and its return to this office. (Lien affidavit sent to lender on new loan, and to closer on an assumption or cash purchase.)
7. Partnership Agreement of Last Dollar Ranch LLLP, a Colorado limited liability limited partnership, disclosing the persons and/or entities doing business under said name and authorized to sign for insured transaction.
8. Warranty deed from Vested Owner, vesting fee simple title in purchaser.

NOTE: Duly executed Real Property Transfer Declaration, executed by either the Grantor or Grantee, to accompany the deed, pursuant to Article 14 of House Bill No. 1288 - CRS 39-14-102.

NOTE: 2006 taxes are paid in full in the amount of \$3,646.94.

NOTE: IF THE SALES PRICE OF THE SUBJECT PROPERTY EXCEEDS \$100,000.00, THE SELLER SHALL BE REQUIRED TO COMPLY WITH THE DISCLOSURE OR WITHHOLDING PROVISIONS OF C.R.S. 39-22-604.5 (NONRESIDENT WITHHOLDING).

FOR CLOSING INFORMATION PLEASE CALL STEWART TITLE OF COLORADO AT 728-3025.

PLEASE MAKE ALL CHECKS PAYABLE TO STEWART TITLE OF COLORADO.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B – Section 2 EXCEPTIONS

Order Number: 7080021-1

The policy or policies to be insured will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company:

1. Rights or claims of parties in possession, not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the Land and not shown by the public records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing the public records or attaching subsequent to the effective date hereof, but prior to the date the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this commitment.
6. Unpatented mining claims, reservations or exceptions in patents, or in acts authorizing the issuance thereof.
7. Water rights, claims or title to water.
8. Taxes for the year 2007 and subsequent years, a lien not yet due and payable.
9. Roads, fences and fencelines, discrepancies between fences and fencelines and property lines, utilities, power and power lines, water and telephone lines, rights of way and easements of record.
10. Restrictions, reservations, rights of way and all other matters as reserved in United States Patents recorded in Book 316 at page 65, in Book 337 at page 94, in Book 72 at page 476, in Book 78 at page 444, in Book 78 at page 551 and in Book 99 at page 506.
11. Right of way for ditches, recorded December 27, 1912 in Book 48 at page 359; SUBJECT TO the terms, conditions, provisions and obligations as contained therein.
12. Right of way for ditches, recorded April 7, 1913 in Book 104 at page 183; SUBJECT TO the terms, conditions, provisions and obligations as contained therein.
13. Agreement, recorded June 8, 1990 in Book 466 at page 563; SUBJECT TO the terms, conditions, provisions and obligations as contained therein.

14. Deed of Conservation Easement for the Last Dollar Ranch, recorded November 7, 1994 in Book 537 at page 590; SUBJECT TO the terms, conditions, provisions and obligations as contained therein.
15. Easements, restrictions, reservations, rights-of-way and all other matters disclosed on Boundary Agreement Survey & Plat recorded in Plat Book 1 at page 2904.
16. Amended Decree Quieting Title, recorded July 11, 2001 at Reception No. 342543; SUBJECT TO the terms, conditions, provisions and obligations as contained therein.
17. Any portion of the subject property lying within or being used by County Road 58P.
18. Any leases and/or tenancies.

DISCLOSURES

Order Number: 7080021-1

Note: Pursuant to C.R.S. 10-11-122, notice is hereby given that:

- A. The subject real property may be located in a special taxing district;
- B. A certificate of taxes due listing each taxing jurisdiction shall be obtained from the county treasurer or the county treasurer's authorized agent;
- C. Information regarding special districts and the boundaries of such districts may be obtained from the board of county commissioners, the county clerk and recorder, or the county assessor.

Note: Colorado Division of Insurance Regulations 3-5-1, Subparagraph (7) (E) requires that "Every title entity shall be responsible for all matters which appear of record prior to the time of recording whenever the title entity conducts the closing and is responsible for recording or filing of legal documents resulting from the transaction which was closed." Provided that Stewart Title of Colorado - Telluride Division conducts the closing of the insured transaction and is responsible for recording the legal documents from the transaction, exception number 5 will not appear on the Owner's Title Policy and the Lender's Title Policy when issued.

Note: Affirmative Mechanic's Lien Protection for the Owner may be available (typically by deletion of Exception No. 4 of Schedule B, Section 2 of the Commitment from the Owner's Policy to be issued) upon compliance with the following conditions:

- A. The land described in Schedule A of this commitment must be a single-family residence, which includes a condominium or townhouse unit.
- B. No labor or materials have been furnished by mechanics or materialmen for purposes of construction on the land described in Schedule A of this Commitment within the past 6 months.
- C. The Company must receive an appropriate affidavit indemnifying the Company against unfilled mechanic's and Materialmen's Liens.
- D. The Company must receive payment of the appropriate premium.
- E. If there has been construction, improvements or major repairs undertaken on the property to be purchased, within six months prior to the Date of the Commitment, the requirements to obtain coverage for unrecorded lines will include: disclosure of certain construction information; financial information as to the seller, the builder and/or the contractor; payment of the appropriate premium; fully executed Indemnity agreements satisfactory to the company; and, any additional requirements as may be necessary after an examination of the aforesaid information by the Company.

No coverage will be given under any circumstances for labor or material for which the insured has contracted for or agreed to pay.

Note: Pursuant to C.R.S. 10-11-123, notice is hereby given:

- A. That there is recorded evidence that a mineral estate has been severed, leased or otherwise conveyed from the surface estate and that there is a substantial likelihood that a third party holds some or all interest in oil, gas, other minerals, or geothermal energy in the property; and
- B. That such mineral estate may include the right to enter and use the property without the surface owner's permission.

This notice applies to owner's policy commitments containing a mineral severance instrument exception, or exceptions, in Schedule B, Section 2.

NOTHING HEREIN CONTAINED WILL BE DEEMED TO OBLIGATE THE COMPANY TO PROVIDE ANY OF THE COVERAGES REFERRED TO HEREIN UNLESS THE ABOVE CONDITIONS ARE FULLY SATISFIED.

CONDITIONS

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



All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252.