

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND THE CONDITIONS AND STIPULATIONS OF THIS GUARANTEE.

Policy No.: **WA-FBCM-IMP-27WAG14-1-18-20377916**



**Fidelity National Title Insurance Company**  
*a Florida Corporation, herein called the Company*

**GUARANTEES**

The Assured named in Schedule A against actual monetary loss or damage not exceeding the liability stated in Schedule A, which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

**Fidelity National Title Insurance Company**

Countersigned by:

A handwritten signature in cursive script that reads "John Jones".

Authorized Signature



By:

A handwritten signature in cursive script that reads "Randy Quirk".

Randy Quirk, President

Attest:

A handwritten signature in cursive script that reads "Michael Gravelle".

Michael Gravelle, Secretary

**SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE**

1. Except to the extent that specific assurances are provided In Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
  - (a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.
  - (b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or, (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.
  - (c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.
2. Notwithstanding any specific assurances which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
  - (a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any structure or improvements, or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.
  - (b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any Judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.
  - (c) The identity of any party shown or referred to in Schedule A.
  - (d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

**GUARANTEE CONDITIONS AND STIPULATIONS****1. Definition of Terms.**

The following terms when used in the Guarantee mean:

- (a) The "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.
- (b) "land": the land described or referred to in Schedule A or in Part 2, 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 or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matter relating to real property to purchasers for value and without knowledge.
- (e) "date": the effective date.

**2. Notice of Claim to be Given by Assured Claimant.**

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the manner or matters for which property notice is required; provide, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

**3. No Duty to Defend or Prosecute.**

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

**4. Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate.**

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 4 above:

(a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), 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 stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, where or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(b) If the Company elects to exercise its options as stated in Paragraph 5(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.

(c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, 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 and adverse judgment or order.

(d) In all cases where the Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company's prejudiced by the failure of the Assured to furnish

the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

**5. Proof of Loss Damage.**

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided to the company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute 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 Assured to provide the required proof of loss or damage, the company's obligation to such Assured under the Guarantee shall terminate. In addition, the Assured 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 Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured 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 damage. All information designated as confidential by the Assured provided to the Company, pursuant to this Section shall not be disclosed to other unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information of grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

**6. Options to Pay or Otherwise Settle Claims: Termination of Liability.**

In case of a claim under this Guarantee, the

Company shall have the following additional options:

**(a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.**

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the company hereunder. In the event after notice of claim has been given to the Company by the Assured the company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price. Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 5, and the Guarantee shall be surrendered to the Company for cancellation.

**(b) To Pay Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.**

To pay or otherwise settle with other parties for or in the name of the Assured claimant any claim Assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligation to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 5.

**7. Determination and Extent of Liability.**

This Guarantee is a contract of Indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The Liability of the Company under this Guarantee to the Assured shall not exceed the least of:

(a) The amount of liability states in Schedule A;

(b) The amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 7 of these Conditions and Stipulations or as reduced under Section 10 of these Conditions and Stipulations, at the time the loss or damage Assured against by this Guarantee occurs, together with interest thereon; or

(c) The difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance Assured against by this Guarantee.

**8. Limitation of Liability.**

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter Assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligation with respect to that matter and shall not be liable for any loss or damage caused there.

(b) In the event of any 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 stated herein.

(c) The Company shall not be liable for loss or damage to any Assured for Liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

**9. Reduction of Liability or Termination of Liability.**

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

**10. Payment of Loss.**

(a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee 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 thirty (30) days thereafter.

**11. Subrogation Upon Payment or Settlement.**

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in

respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured 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 Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

**12. Arbitration.**

Unless prohibited by applicable law, either the Company or the Assured 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 Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision or other obligation. All arbitrable matters when the Mount of liability is \$1,000,000 or less shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if 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.

**13. Liability Limited to This Guarantee; Guarantee Entire Contract.**

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

(b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.

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

**14. 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 Guarantee and shall be addressed to the Company at

Fidelity National Title Insurance Company  
Attn: Claims Department  
P.O. Box 45023  
Jacksonville, FL 32232-5023

**SUBDIVISION GUARANTEE**  
**SCHEDULE A**

Order No.: **20377916-416-416-MAW**

Liability: **\$1,000.00**

Guarantee No.: **WA-FBCM-IMP-27WAG14-1-18-20377916**

Premium: **\$350.00**

Customer No.:

Tax: **\$35.35**

Total: **\$385.35**

1. Name of Assured:  
**Oseran Hahn Spring Straight & Watts, PS**
2. Date of Guarantee:  
**December 14, 2018 at 8:00 A.M.**

The assurances referred to on the face page hereof are:

That according to those public records which, under the recording laws, impart constructive notice of matters affecting title to the following described land:

**See Exhibit A attached hereto and made a part hereof.**

The estate or interest in the land which is covered by this guarantee is:

**FEE and EASEMENT**

Title to the estate or interest in the land is [vested in](#):

**Xing Hua Group Ltd., a Washington corporation**

subject to the Exceptions shown below, which are not necessarily shown in order of their priority.

**Exceptions:**

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on land or by the public records.
2. (a) Unpatented mining claims; (b) reservations or exceptions in Patents or in Acts authorizing the issuance thereof; (c) Indian treaty or aboriginal rights, including, but not limited to, easements or equitable servitudes; or, (d) water rights, claims or title to water, whether or not the matters excepted under (a), (b), (c) or (d) are shown by the public records.
3. Title to any property beyond the lines of the land expressly described herein, or title to streets, roads, avenues, lanes, ways or waterways on which said land abuts, or the right to maintain vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein unless such property rights or easements are expressly and specifically set forth in the land described herein.

**SCHEDULE A**  
**(Continued)**

- 4. GENERAL PROPERTY TAXES AND SERVICE CHARGES, AS FOLLOWS, TOGETHER WITH INTEREST, PENALTY AND STATUTORY FORECLOSURE COSTS, IF ANY, AFTER DELINQUENCY: (1ST HALF DELINQUENT MAY 1; 2ND HALF DELINQUENT NOVEMBER 1)

TAX ACCOUNT NO.:		531510 1316	
YEAR	BILLED	PAID	BALANCE
2018	\$17,331.67	\$17,331.67	\$0.00

TOTAL AMOUNT DUE, NOT INCLUDING INTEREST AND PENALTY: \$0.00.

LEVY CODE:	1031
ASSESSED VALUE LAND:	\$1,967,300.00
ASSESSED VALUE IMPROVEMENTS:	\$30,100.00

- 5. LIABILITY FOR SEWER TREATMENT CAPACITY CHARGES, IF ANY, AFFECTING CERTAIN AREAS OF KING, PIERCE AND SNOHOMISH COUNTIES. SAID CHARGES COULD APPLY TO PROPERTY CONNECTING TO THE METROPOLITAN SEWERAGE FACILITIES OR RECONNECTING OR CHANGING ITS USE AND/OR STRUCTURE AFTER FEBRUARY 1, 1990. PLEASE CONTACT THE KING COUNTY WASTEWATER TREATMENT DIVISION, CAPACITY CHARGE PROGRAM, FOR FURTHER INFORMATION AT 206-296-1450 OR FAX NO. 206-263-6823 OR EMAIL AT [CAPCHARGEESCROW@KINGCOUNTY.GOV](mailto:CAPCHARGEESCROW@KINGCOUNTY.GOV)

\* A MAP SHOWING SEWER SERVICE AREA BOUNDARIES AND INCORPORATED AREAS CAN BE FOUND AT:  
[HTTP://YOUR.KINGCOUNTY.GOV/FTP/GIS/WEB/VMC/UTILITIES/SERVAREA\\_CITIES.PDF](http://YOUR.KINGCOUNTY.GOV/FTP/GIS/WEB/VMC/UTILITIES/SERVAREA_CITIES.PDF)

UNRECORDED SEWER CAPACITY CHARGES ARE NOT A LIEN ON TITLE TO THE LAND.

NOTE: THIS EXCEPTION WILL NOT APPEAR IN THE POLICY TO BE ISSUED.

- 6. RIGHT TO MAKE NECESSARY SLOPES FOR CUTS OR FILLS UPON THE LAND HEREIN DESCRIBED AS GRANTED TO KING COUNTY BY DEED RECORDED UNDER RECORDING NO. [4955634](#).
- 7. TERMS AND CONDITIONS OF "EASEMENTS AND COMMON PARKING AREA AGREEMENT" IMPOSED BY INSTRUMENT RECORDED ON OCTOBER 25, 1977, UNDER RECORDING NO. [7710250324](#)
- 8. COVENANTS, CONDITIONS, RESTRICTIONS, RECITALS, RESERVATIONS, EASEMENTS, EASEMENT PROVISIONS, DEDICATIONS, BUILDING SETBACK LINES, NOTES, STATEMENTS, AND OTHER MATTERS, IF ANY, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, INCLUDING BUT NOT LIMITED TO THOSE BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW, AS SET FORTH ON MERCER ISLAND SHORT PLAT NUMBER MI-77-9-040:

RECORDING NO: [7710250620](#)

**SCHEDULE A**  
**(Continued)**

- 9. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:  
GRANTEE: PUGET SOUND POWER AND LIGHT COMPANY  
PURPOSE: ELECTRIC LINE  
AREA AFFECTED: A PORTION OF SAID PREMISES  
RECORDED: DECEMBER 28, 1977  
RECORDING NO.: [7712280706](#)  
  
AND AMENDMENT THERETO:  
RECORDED: MAY 25, 1995  
RECORDING NO.: [9505250194](#)
  
- 10. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:  
GRANTEE: THE CITY OF MERCER ISLAND  
PURPOSE: PUBLIC UTILITIES  
AREA AFFECTED: A PORTION OF SAID PREMISES  
RECORDED: NOVEMBER 22, 1994  
RECORDING NO.: [9411221152](#)
  
- 11. UNRECORDED LEASEHOLDS, IF ANY; RIGHTS OF VENDORS AND HOLDERS OF SECURITY INTERESTS ON PERSONAL PROPERTY INSTALLED UPON THE LAND; AND RIGHTS OF TENANTS TO REMOVE TRADE FIXTURES AT THE EXPIRATION OF THE TERM.
  
- 12. MATTERS DISCLOSED BY SURVEY PREPARED BY BUSH, ROED & HITCHINGS, INC., DATED NOVEMBER 29, 2016, UNDER JOB NO. 2013130.04, AS FOLLOWS:  
  - A) CANOPIES ALONG THE WEST SIDE OF THE BUILDING ENCROACH 3.8' AND 4.0' OVER THE PROPERTY LINE INTO THE RIGHT OF WAY FOR 7TH AVE SE.

**EXHIBIT A**  
**LEGAL DESCRIPTION**

PARCEL A:

THAT PORTION OF LOT 5, BLOCK 16, [MCGILVRA'S ISLAND ADDITION](#), ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 16 OF PLATS, PAGE 58, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 5;  
THENCE NORTHERLY ALONG THE WEST LINE OF SAID LOT 5 A DISTANCE OF 137.75 FEET TO THE NORTHWEST CORNER OF SAID LOT 5;  
THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 5 A DISTANCE OF 173.00 FEET;  
THENCE SOUTHERLY PARALLEL TO THE WEST LINE, 100.00 FEET;  
THENCE WESTERLY PARALLEL TO THE NORTH LINE 63.00 FEET;  
THENCE SOUTHERLY PARALLEL TO THE WEST LINE 37.75 FEET TO THE SOUTH LINE OF SAID LOT 5;  
THENCE WESTERLY ALONG THE SOUTH LINE 110.00 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPT THE WEST 10 FEET THEREOF AS CONVEYED TO KING COUNTY BY DEED RECORDED UNDER RECORDING NUMBER [4955634](#);

(ALSO KNOWN AS PARCEL 2 OF CITY OF MERCER ISLAND SHORT PLAT NUMBER MI-77-9-040, RECORDED UNDER RECORDING NUMBER [7710250620](#));

PARCEL B:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AS MORE PARTICULARLY SET FORTH IN THAT DOCUMENT ENTITLED "CITY OF MERCER ISLAND SHORT PLAT NUMBER HI-77-9-040", RECORDED UNDER RECORDING NUMBER [7710250620](#).

PARCEL C:

A NON-EXCLUSIVE EASEMENT FOR COMMON PARKING, AS MORE PARTICULARLY SET FORTH IN DOCUMENT ENTITLED "EASEMENTS AND COMMON PARKING AREA AGREEMENT" RECORDED UNDER RECORDING NUMBER [7710250324](#);

SITUATE IN THE CITY OF MERCER ISLAND, COUNTY OF KING, STATE OF WASHINGTON.

[PARCEL MAP](#)



**Fidelity National Title**<sup>®</sup>  
Insurance Company

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December 18, 2018

**Xing Hua Group Ltd.**

YOUR REF:  
OUR NO.: **20377916**

Attached is your **Subdivision Guarantee - WA** policy of title insurance.

Thank you for allowing us to serve you. We look forward to assisting you in the future.

**Marc Wise**