

Form 1282
CLTA Guarantee
(Rev. 5-3-73)

LITIGATION GUARANTEE

LIABILITY: \$1,000.00

ORDER NO. Y-939867

FEE: \$250.00
ADDITIONAL WORK FEE: \$200.00

LG NO.: H 475310

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE,

FIRST AMERICAN TITLE INSURANCE COMPANY
a corporation herein called the Company,

GUARANTEES

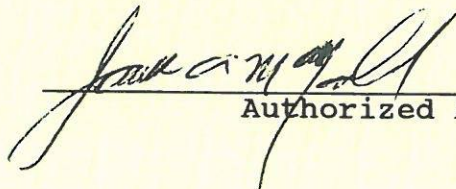
Lakloey, Inc.

herein called the Assured, against loss not exceeding the liability amount stated above which the assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records, on the date stated below,

1. The title to the herein described estate or interest was vested in the vestee named, subject to the matters shown as Exceptions herein which Exceptions are not necessarily shown in the order of their priority;

Dated: October 29, 1993 at 8:00 a.m.

FIRST AMERICAN TITLE INSURANCE COMPANY



Authorized Agent

Form 1282
CLTA Guarantee
(Rev. 5-3-73)

Title to said estate or interest at the date hereof is vested in:

John H. Harrild, as to an undivided 1/3 interest in Parcel I. Eldon G. Harrild and Billie K. Harrild, as to an 2/3 interest in Parcel I.

Marquerite L. Jahns, or if deceased her heirs devisees and assigns, as to Parcel II.

The estate or interest in the land hereinafter described or referred to covered by this Guarantee is:

a fee estate

EXCEPTIONS:

1. Reservations and exceptions as contained in the U.S. Patent.
2. Reservations and exceptions as contained in the U.S. Patent.
3. Easements for pipelines and powerlines as disclosed by the patent to said land.
4. Any adverse claim to any portion of said land which lies below the mean high water line of Shaw Creek.
5. Easement for one or more pipe lines and appurtenances thereto granted to United States of America, recorded September 30, 1953, Book 63 Page 143.
6. Any effect of that certain Warranty Deed dated July 20, 1957, recorded December 5, 1958, Book 98 Page 125 from Lewis E. Jahns to Doyle E. Crotts and Ezra Newson purporting to convey a portion of said land on the date of said Deed, the Grantor had no record of interest in said land, nor has since acquired any.
7. Right of way easement, including terms and provisions thereof, granted to GOLDEN VALLEY ELECTRIC ASSOCIATION, INC., and their assigns and/or successors in interest, to construct, operate and maintain an electric transmission and/or telephone distribution line or system by instrument recorded February 8, 1960, Book 110 Page 73.

8. Any effect of that certain Warranty Deed dated August 17, 1972, Book 270 Page 850 from Billie K. Harrild to Larry Dorshorst, the legal description is not sufficient to be relied upon.
9. Any effect of that certain Warranty Deed dated August 12, 1987, recorded August 12, 1987, Book 539 Page 480 from Elden Harrild and Billie Harrild to Mindy Slinker, the legal description is not sufficient to be relied upon.
10. Any facts, rights, interest or claims which a correct survey of said land would show.
11. Rights of parties in possession.

NOTE: Subject property is outside the area of organized taxing district.

NOTE: This Guarantee is restricted to the use of the assured herein. IT IS NOT TO BE USED AS A BASIS FOR CLOSING ANY TRANSACTION AFFECTING TITLE TO SAID PROPERTY.

Form 1282
CLTA Guarantee
(Rev. 5-3-73)

The land referred to in this Guarantee is situated in the Fourth Judicial District, State of Alaska, and is described as follows:

PARCEL I: That portion of the Northeast Quarter (NE1/4) of the Southwest Quarter (SW1/4) of Section Thirty-Five (35), Township Seven South (T7S), Range Eight East (R8E), records of the Fairbanks Recording District, Fourth Judicial District, State of Alaska.

Beginning at the center quarter corner of said section 35; thence North $89^{\circ}56'45''$ East 1,328.77 feet to the Northeast corner of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4); thence South $0^{\circ}10'30''$ West 901.67 feet along the east boundary of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4) to the TRUE POINT OF BEGINNING; thence South $85^{\circ}40'$ West 1,246.03 feet; thence South $89^{\circ}43'$ West 90.18 feet to a point on the West boundary of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4); thence continuing South $89^{\circ}43'$ West 1,322.61 feet to the west boundary of the Northeast Quarter (NE1/4) of the Southwest Quarter (SW1/4); thence South $0^{\circ}56'$ West 329.23 feet to the Southwest corner of the Northeast Quarter (NE1/4) of the Southwest Quarter (SW1/4); thence North $89^{\circ}51'45''$ East 1,325.77 feet to the Southeast corner of the Northeast Quarter (NE1/4) of the Southwest Quarter (SW1/4), thence North $89^{\circ}47'30''$ East 1,333.55 feet to the Southeast corner of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4); thence North $0^{\circ}10'30''$ East 422.15 feet to the TRUE POINT OF BEGINNING. Excepting therefrom that portion of said land taken by the State of Alaska for highway purposes, as disclosed by instrument recorded February 23, 1979, Book 138 Page 350.

PARCEL II: All of the Northeast Quarter (NE1/4) of the Southwest Quarter (SW1/4), Section Thirty-Five (35), Township Seven South (T7S), Range Eight East (R8E), records of the Fairbanks Recording District, Fourth Judicial District, State of Alaska.

Excepting therefrom the beginning at the center quarter corner of said section 35; thence North $89^{\circ}56'45''$ East 1,328.77 feet to the Northeast corner of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4); thence South $0^{\circ}10'30''$ West 901.67 feet along the east boundary of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4) to the TRUE POINT OF BEGINNING; thence South $85^{\circ}40'$ West 1,246.03 feet; thence South $89^{\circ}43'$ West 90.18 feet to a point on the West boundary of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4); thence continuing South $89^{\circ}43'$ West 1,322.61 feet to the west boundary of the Northeast Quarter (NE1/4) of the Southwest Quarter (SW1/4); thence South $0^{\circ}56'$ West 329.23 feet to the Southwest corner of the Northeast Quarter (NE1/4) of the Southwest Quarter (SW1/4); thence North $89^{\circ}51'45''$ East 1,325.77 feet to the Southeast corner of the Northeast Quarter (NE1/4) of the Southwest Quarter (SW1/4), thence North $89^{\circ}47'30''$ East 1,333.55 feet to the Southeast corner of the Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4); thence North $0^{\circ}10'30''$ East 422.15 feet to the TRUE POINT OF BEGINNING, and also excepting therefrom that portion of said land taken by the State of Alaska for highway purposes, as disclosed by instrument recorded February 23, 1979, Book 138 Page 350.

Form 1282
CLTA Guarantee
(Rev. 5-3-73)

The necessary parties (other than those having a claim or interest by reason of matters shown in Exception numbers 1 through ?, inclusive) to be made defendants in an action to Judicially foreclose the Deed of Trust shown as exception number 11 herein, said action to be brought by are as follows: