

CHRISTY PILSON
503-671-0540 3024
PACIFIC NORTHWEST TITLE
9020 SW WASHINGTON SQ. RD
TIGARD OR 97223

LTR
1 OF 1

SHIP TO:
CHRISTY R. PILSON
PACIFIC NW TITLE
9020 SW WASHINGTON SQ. ROAD
TIGARD OR 97223-4436

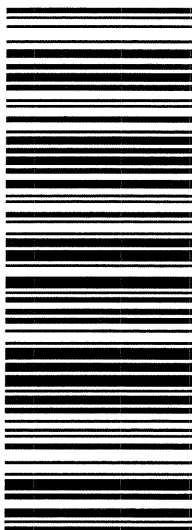


OR 970 9-40

UPS NEXT DAY AIR

TRACKING #: 1Z F72 E79 01 9460 2763

1



BILLING: P/P

Reference#: 1: 07302637/Usner

US 9.5.16.0 W001E50 69.0A 07/2007

TM

FOLD HERE

- UPS Internet Shipping: View/Print Label
1. Print the label(s): Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.

2. Fold the printed label at the dotted line. Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.

3. GETTING YOUR SHIPMENT TO UPS
Customers without a Daily Pickup
Schedule a same day or future day Pickup to have a UPS driver pickup all of your Internet Shipping packages.
Hand the package to any UPS driver in your area.
Take your package to any location of The UPS Store®, UPS Drop Box, UPS Customer Center, UPS Alliances (Office Depot® or Staples®) or Authorized Shipping Outlet near you. Items sent via UPS Return ServicesSM (including via Ground) are accepted at Drop Boxes.
To find the location nearest you, please visit the 'Find Locations' Quick link at ups.com.
Customers with a Daily Pickup
Your driver will pickup your shipment(s) as usual.

PACIFIC NORTHWEST TITLE OF OREGON, INC.
9020 SW Washington Square Rd., Suite 170, Tigard, OR 97223
(503) 671-0540

SELLERS CLOSING STATEMENT

ESTIMATED - figures subject to change

Seller:

Michael A. Usner
Rebecca R. Usner

Property:

2135 N. Irvine Street
Cornelius, OR 97113

Brief Legal:

Escrow No: 07302637-002 CRP
Close Date: 12/07/2007
Proration Date: 12/07/2007
Date Prepared: 12/05/2007

TOTAL CONSIDERATION:		Description
PAYOFFS:		
Payoff to GMAC Mortgage Corp. - Payoffs		
\$174,661.31		Principal Balance, Fees & Interest to 12/12/2007
Payoff to Chase Manhattan Mortgage		
\$136.92		Interest From 11/28/2007 to 12/12/2007
\$44,925.91		Principal Balance, Fees & Interest
\$0.00		through 11/28/2007
PRORATIONS AND ADJUSTMENTS:		
County Taxes		From 12/07/07 To 07/01/08
Based on the Annual amount of \$2,772.98		
COMMISSIONS:		
Commission		
\$8,117.20		to RE/MAX Equity Group, Inc.
\$7,827.30		to Windermere Realty Group
TITLE CHARGES:		
Owners Policy \$289,900.00 to Pacific Northwest Title of Oregon, Inc.		
Government Lien Search Fee to Pacific Northwest Title of Oregon, Inc.		
694.00		
25.00		
ESCROW CHARGES		
Escrow Fee to Pacific Northwest Title of Oregon, Inc.		
375.00		
Document Preparation to Pacific Northwest Title of Oregon, Inc.		
50.00		
RECORDING FEES:		
Overnight/Express Delivery Svc to Pacific Northwest Title of Oregon, Inc.		
45.00		
County Transfer Tax to Pacific Northwest Title of Oregon, Inc.		
145.00		
ADDITIONAL CHARGES:		
Invoice to Debra Ryan		
Release Fee to Pacific Northwest Title		
Sub Totals		
Proceeds Due Seller		
Totals		
289,900.00	Debit	Credit
174,661.31	Debit	Credit
45,062.83	Debit	Credit
15,944.50	Debit	Credit
694.00	Debit	Credit
25.00	Debit	Credit
375.00	Debit	Credit
50.00	Debit	Credit
45.00	Debit	Credit
145.00	Debit	Credit
250.00	Debit	Credit
240.00	Debit	Credit
237,492.64	Debit	Credit
53,979.98	Debit	Credit
\$291,472.62	Debit	Credit
291,472.62	Debit	Credit
1,572.62	Debit	Credit

Michael A. Usner

Rebecca R. Usner

A. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SETTLEMENT STATEMENT

Pacific Northwest Title of Oregon, Inc.
9020 SW Washington Square Rd.
Suite 170
Tigard, OR 97223

ESTIMATED - Figures subject to change

8. MORTGAGE INSURANCE CASE NUMBER:
515075

6. ESCROW FILE NUMBER:
07302637-002 CRP

7. LOAN NUMBER:
515075

B. TYPE OF LOAN

1. ☐ FHA 2. ☐ FMHA 3. ☒ CONV. UNINS.

4. ☐ VA 5. ☐ CONV. INS.

D. NAME OF BORROWER: David J. Peterson and Julie I. Peterson

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(P.O.C.)," were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

E. NAME OF SELLER: Michael A. Usner and Rebecca R. Usner

ADDRESS OF BORROWER: 1507 NW Eastbrook Court
Beaverton, OR 97006

ADDRESS OF SELLER: 11552 Grand Pine Dr.
Montgomery, TX 77356

F. NAME OF LENDER: Sierra Pacific Mortgage Company, Inc.
8905 SW Nimbus Avenue, #150,
Beaverton, OR 97008

G. PROPERTY LOCATION: 2135 N. Irvine Street
Cornelius, OR 97113
Washington 1N334CA-13300

H. SETTLEMENT AGENT: Pacific Northwest Title of Oregon, Inc.
9020 SW Washington Square Rd., Suite 170, Tigard, OR 97223

I. SETTLEMENT DATE: 12/07/2007 PRORATION DATE: 12/07/2007 FUNDING DATE: 12/07/2007

J. SUMMARY OF BORROWER'S TRANSACTION K. SUMMARY OF SELLER'S TRANSACTION

100. Gross Amount Due From Borrower:

400. Gross Amount Due To Seller:

101. Contract Sales Price		401. Contract Sales Price	289,900.00
102. Personal Property		402. Personal Property	
103. Settlement charges to Borrower (line 1400)	0.00	403.	
104.		404.	
105.		405.	
Adjustments For Items Paid By Seller In Advance:		Adjustments For Items Paid By Seller In Advance:	
106. City/Town Taxes		406. City/Town Taxes	
107. County Taxes		407. County Taxes 12/07/07-07/01/08	1,572.62
108. Assessments		408. Assessments	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
120. Gross Amount Due from Borrower	0.00	420. Gross Amount Due to Seller	291,472.62

200. Amounts Paid By Or In Behalf Of Borrower:

201. Deposit or earnest money		501. Excess deposit (see instructions)	
202.		502. Settlement charges to Seller (line 1400)	17,768.50
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	174,661.31
205.		505. Payoff of second mortgage loan	45,062.83
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments For Items Unpaid By Seller		Adjustments For Items Unpaid By Seller:	
210. City/Town Taxes		510. City/Town Taxes	
211. County Taxes		511. County Taxes	
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	0.00	520. Total Reductions In Amount Due Seller	237,492.64

300. Cash at Settlement to/from Borrower:

301. Gross amount due from Borrower (line 120)	0.00	601. Gross amount due to Seller (line 420)	291,472.62
302. Less amount paid by/for Borrower (line 220)	0.00	602. Less reductions in amount due Seller (line 52	237,492.64
303. Cash FROM/TO Borrower	0.00	603. Cash TO Seller:	53,979.98

700. Total Sales/Broker's Commission:		
Based on Price \$289,900.00 @ 5.5% = 15,944.50		
Paid from Sellers Funds at Settlement	Paid from Borrowers Settlement	Division of Commission (line 700) follows:
		701. \$ 8,117.20 to RE/MAX Equity Group, Inc.
		702. \$ 7,827.30 to Windermere Realty Group
		\$ 0.00 to
		703. Commission paid at settlement
		704.
800. Items Payable in Connection With Loan:		
801. Loan Origination Fee		
802. Loan Discount Fee		
803. Appraisal Fee		
804. Credit Report		
805. Lenders inspection Fee		
806. Mortgage Insurance Application Fee		
807. Assumption Fee		
808.		
809.		
810.		
811.		
900. Items Required By Lender To Be Paid In Advance:		
901. Interest		
902. Mortgage Insurance Premium		
903. Hazard Insurance Premium		
904.		
905.		
1000. Reserves Deposited With Lender:		
1001. Hazard Insurance		
1002. Mortgage Insurance		
1003. City Property Taxes		
1004. County Property Taxes		
1005. Annual Assessments		
1006.		
1007.		
1008.		
1100. Title Charges:		
1101. Settlement or closing fee to Pacific Northwest Title of Oregon, Inc.		
1102. Abstract or title search		
1103. Title examination		
1104. Title insurance binder		
1105. Document preparation to Pacific Northwest Title of Oregon, Inc.		
1106. Notary Fees		
1107. Attorney's Fees		
(includes above item numbers:)		
1108. Title Insurance		
(included above item numbers:)		
1109. Lender's coverage \$ 224,900.00 to Pacific Northwest Title of Oregon, Inc.		
1110. Owner's coverage \$ 289,900.00 to Pacific Northwest Title of Oregon, Inc.		
1111.		
1112. Government Lien Search Fee to Pacific Northwest Title of Oregon, Inc.		
1113.		
1200. Government Recording and Transfer Charges		
1201. Recording Fees:		
1202. City/County tax/stamps		
1203. State tax/stamps		
1204. City Transfer Tax		
1205. County Transfer Tax to Pacific Northwest Title of Oregon, Inc.		
1206. Overnight/Express Delivery Svc to Pacific Northwest Title of Oregon, Inc.		
1207.		
1300. Additional Settlement Charges:		
1301. Survey		
1302. Pest Inspection		
1303.		
1304. Invoice to Debra Ryan		
1305. Release Fee to Pacific Northwest Title		
1306.		
1307.		
1400. Total Settlement Charges (Enter on line 103,Section J -and- line 502, Section K)		
		17,768.50

BREAKDOWN OF PAYOFF ON HUD line 504

GMAC Mortgage Corp. - Payoffs

Loan #: 0601219431

6716 Grade Lane
Building 9, Suite 910C
Louisville, KY 40213

Description	Amount
Principal Balance, Fees & Interest to 12/12/2007	174,661.31
Total Payoff	174,661.31

Total as shown on HUD line #504.

174,661.31

Payoff to:

Chase Manhattan Mortgage
Payoff Department
3415 Vision Drive
Columbus, OH 43219-6009

Loan #: 449228225473

Description	Amount
Interest from 11/28/2007 to 12/12/2007	136.92
Principal Balance, Fees & Interest	44,925.91
Total Payoff	45,062.83

Total as shown on HUD line #505.

45,062.83

HUD-1 Settlement Statement Certification

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Buyers Signatures:

Sellers Signatures:

Michael A. Usner

Rebecca R. Usner

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

Settlement Agent:

Pacific Northwest Title of Oregon, Inc.

Date:

WARNING: It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.



HOMEOWNERS' ASSOCIATION AFFIDAVIT AND INDEMNITY

DATE: November 29, 2007

ESCROW NO.: 07302637

STATE OF: OREGON

COUNTY OF: Washington

I/We, Michael A. Usner and Rebecca R. Usner, being first duly sworn upon my oath, depose and say that regarding the property located at:

Lot 195, Council Creek Estates

and commonly known as: 2135 N. Irvine Street, Cornelius, OR 97113, that the COUNCIL CREEK ESTATES Homeowners' Association is inactive, and that there are no dues, assessments or fees collected on behalf of said association. The undersigned parties swear and attest that there are no dues or assessments paid or owing by the owners to the above named association.

The undersigned agrees to indemnify and hold harmless Pacific Northwest Title of Oregon, Inc. from any loss, claim, suit or action it may sustain by reason of this statement being false or misleading.

Michael A. Usner

Rebecca R. Usner

STATE OF OREGON
} County of _____
ss

On this ____ day of December, 2007, personally appeared the above named Michael A. Usner and Rebecca R. Usner and acknowledged the foregoing instrument to be their voluntary act and deed.

Notary Public for State of Oregon
My commission expires: _____

9020 SW Washington Square Rd. Suite 170
Tigard, OR 97223
Phone (503) 671-0540 Fax(503) 671-0545

PAYOFF STATEMENT

11/28/07

GMAC Mortgage, LLC

PO Box 780
Waterloo IA 50704-0780

Loan No.: 0601219431

Borrower: MICHAEL A USNER

REBECCA R USNER

11552 GRAND PINE DR

Property:
2135 N IRVINE STREET

CORNELIUS

OR

97113

Statement Sent to Name: MICHAEL A USNER

Statement Sent to Fax Number: 503-671-0545

As of 11/28/07, the status of this loan is as follows:

Next Payment Due: 12/01/07

05/2035

Loan Type:

CONVENTIONAL

Mature:

\$-7.68

Escrow Retained (**pg. 2):

\$0.00

Escrow Balance:

Mortgage Insurance:

\$0.00

***THE FOLLOWING FIGURES ARE SUBJECT TO FINAL VERIFICATION BASED ON
THE RECEIPT OF FUNDS BY GMAC Mortgage, LLC***

ITEMS

AMOUNT DUE

\$173377.64

\$1204.99

Interest Calculated to but not including 12/12/07

\$7.68

Escrow/Impound Funds Due (see P.3, Item G)

\$0.00

Late Charges Outstanding

\$0.00

Unapplied Funds

\$20.00

Statement Fee

\$31.00

Recording Fee

\$0.00

Reconveyance/Trust

\$0.00

Release Fee

\$0.00

Fax Fee

\$20.00

Other Fees and Costs

\$0.00

Deferred Amount

\$0.00

Prepayment Penalty/Early Termination Fee

\$0.00

Optional Products

\$0.00

Uncollected P&I

\$

Buyer Assistance Amount

\$174661.31

TOTAL DUE

\$29.0942

Per Diem Interest

YOU ARE RESPONSIBLE FOR COMPLIANCE OF THIS DOCUMENT

Please see page 2 and 3 for Estimated Escrow/Impound Disbursements, payoff funds remittance instructions, and
Important information regarding the loan payoff.



Wednesday, November 28, 2007
MICHAEL A USNER
11552 GRAND PINE DR
MONTGOMERY, TX 77356

Customer Account Number: 449228225473 MICHAEL A USNER
Dear MICHAEL A USNER,
Re: Line of Credit Account
Secured by: 2135 N. IRVINE STREET

We appreciate your business at Chase. As requested, the payoff information on your account is outlined below:

Today's Payoff Amount		
Date: 11/28/2007	Date: 12/21/2007	
\$44925.91	\$0.00	Next Payment Due Date
	\$9.78	Daily Interest/Per Diem
\$44629.58		Principal Balance
\$254.33		Interest Due
\$0.00		Deferred Interest
\$0.00		Deferred Fees
\$0.00		Chase Payment Assurance Fees Outstanding
\$0.00		Late, NSF & Other Charges
\$0.00		Insurance Premium Due
\$0.00		Insurance Refund
\$22.00		Account Closure Fee
\$20.00		Fax Fee
\$0.00		Reconveyance Fee

NOTICE: Please add the per diem amount to the payoff figure for each day past the payoff date listed above. The above figures are subject to final verification upon receipt of the payoff remittance by Chase. Except where prohibited, Chase reserves the right to adjust the above figures and refuse any funds which are insufficient to pay the total outstanding balance on your account for any reason including but not limited to error in calculation, previously dishonored check or money order, stop payment of checks or ACH payments, additional disbursement or unposted checks, fees or other charges or advances made by Chase between the date of this payoff statement and the receipt of funds.

If this is a business purpose or private banking loan, this letter does not include all applicable payoff and lien release information. You must contact Chase to obtain lien release requirements, any applicable additional fees, and the complete payoff amount. Any remaining overpayment will be mailed directly to the borrower after processing of the funds required to pay the total outstanding balance on your account.

Notice to ACH customers Chase requires written notice at least five business days prior to payoff if you wish to cancel automatic debit arrangements. Otherwise, the autocharge will remain in effect.

If you have multiple accounts with us, we are relying on you to supply us with the correct account number for payoff. Failure to provide the appropriate account number will cause a delay in releasing your collateral, as we cannot, under normal circumstances, release collateral until payment in full is received. Please contact us if you are unsure of the correct account number.

PLEASE NOTE: Collateral securing your account, if any, will be released after all outstanding account obligations have been paid, and the Bank is assured of a final check or ACH settlement.

IF YOU WANT TO CLOSE A LINE OF CREDIT, WE MUST RECEIVE THIS REQUEST IN WRITING SIGNED BY AN AUTHORIZED SIGNER ON THE LINE. FOR YOUR CONVENIENCE, WE HAVE ENCLOSED THE AUTHORIZATION TO CLOSE CREDIT LINE FORM. PLEASE SIGN THE ATTACHED DOCUMENT AND SEND IT ALONG WITH YOUR PAYOFF IF YOU WANT TO CLOSE YOUR LINE OF CREDIT ACCOUNT. IF WE DO NOT RECEIVE THIS AUTHORIZATION, THE LINE WILL REMAIN OPEN, AND THE LIEN WILL NOT BE RELEASED.

To receive same day credit and avoid accruing of additional interest, payoff funds must be remitted in US Dollars by cashiers check,



Wednesday, November 28, 2007

MICHAEL A USNER
11552 GRAND PINE DR
MONTGOMERY, TX 77356

Customer Account Number: 449228225473 MICHAEL A USNER
Confirmation Number: 46836092

AUTHORIZATION TO CLOSE LINE OF CREDIT

The undersigned agrees that the above-referenced credit line is to be closed upon Chase Home Finance LLCs receipt and processing of this signed authorization and the payment of the balance in full. Further, the undersigned understands that the right to obtain advances is terminated and **no further checks, credit card transactions or automatic deductions will be honored or applied to the credit line.** This letter does not relieve the undersigned from any liability for any remaining unpaid balance owing on the credit line, including any balances that may result from the reversing of prior payments, the presentment of any preauthorized transactions after the closing has been processed or checks paid prior to closing.

X

Customer Signature

X

Customer Signature



DATE: November 28, 2007

JP Morgan Chase Bank

RE: Loan No.: 00449228225473 Property: 2135 N. Irvine Street

Cornelius, OR 97113

Borrower(s): Michael A. Usner and Rebecca R. Usner

Recorded in Fee # or Book/Page: 2005-038072 (re-recorded 2005-107959)

REQUEST TO CANCEL REVOLVING CREDIT LOAN

Dear Loan Servicing/Payoff Department:

Please freeze the loan amount to include only obligations incurred or draws I have made prior to and including the date of this letter under the terms and conditions of the above numbered loan, recorded in the Public Records of Washington County, Oregon and cancel the revolving credit loan for future advances.

I agree to cease signing all checks and/or credit cards and/or drafts.

This is also a notice that I intend to execute a new mortgage on the property or sell subject property. Under the laws of some States, future advances may be subordinate to the rights of a new lender or buyer.

Your cooperation in this matter is essential to completing the real estate transaction contemplated with reference to the property above described.

Sincerely,

Michael A. Usner

Rebecca R. Usner

9020 SW Washington Square Rd, Suite 170 Tigard, OR 97223
Phone (503) 671-0540 Fax (503) 671-0545



TO: PACIFIC NORTHWEST TITLE OF OREGON, INC.

ORDER NO.: 07302637

**REVOLVING CREDIT LOAN AFFIDAVIT
AND PERSONAL UNDERTAKING**

I/We, Michael A. Usner and Rebecca R. Usner, hereinafter referred to jointly and severally as Borrower, being first duly sworn, state that Borrower is the owner of the following described real estate:

Lot 195, COUNCIL CREEK ESTATES, in the City of Cornelius, County of Washington and State of Oregon.

and commonly known as: 2135 N. Irvine Street, Cornelius, OR 97113 (the "Land"). A Revolving Credit Loan (hereinafter "RCL") secured by a mortgage or other security instrument recorded April 8, 2005 (re-recorded September 2, 2005), as Document Number/Page 2005-038072 (re-recorded 2005-107959), in the Office of the Recorder or Clerk of Washington County, Oregon, in favor of JP Morgan Chase Bank, N.A. and/or its successors or assigns, encumbers the land.

The Escrow Holder has obtained a payoff statement of said RCL as evidenced by a copy attached hereto.

Borrower jointly and severally for themselves, their heirs, personal representatives and assigns, does hereby swear, covenant with and certify to the Escrow Holder and Pacific Northwest Title of Oregon, Inc. that the payoff statement of the aforementioned RCL is accurate and represents a complete payoff of their account to a zero balance.

Borrower has received no advances on nor written or made any drafts, checks or credit card payments against the aforementioned RCL either (1) increasing the balance due over what is shown on the settlement statement as of this date, or (2) occurring after the date of the Request to Cancel Revolving Credit Loan dated of even date.

Borrower will not draw down any advances nor write any drafts or checks against the RCL subsequent to this date.

Borrower will fully protect, defend, indemnify, hold and save the Escrow Holder and Pacific Northwest Title of Oregon, Inc. harmless from and against any and all additional sums claimed to be due on the RCL in the event the payoff statement or settlement statement is inaccurate.

This Affidavit and Undertaking is made to induce the Escrow Holder and Pacific Northwest Title of Oregon, Inc. to issue its policy of title insurance on the land, free and clear of and without exception to the mortgage or other security instrument securing the RCL.

Michael A. Usner Rebecca R. Usner

STATE OF OREGON }
County of _____ ss

On _____ of December, 2007 personally appeared the above named Michael A. Usner and Rebecca R. Usner and acknowledged the foregoing instrument to be their voluntary act and deed.

Notary Public in and for Oregon
My Commission Expires: _____



JOINT ESCROW INSTRUCTIONS

Branch: 002

Branch Phone: (503) 671-0540

Title Order No.: 07302637

Escrow No.: 07302637

TO: Pacific Northwest Title of Oregon, Inc., Christy R. Pilson, Escrow Agent:

Seller: Michael A. Usner and Rebecca R. Usner

Buyer: David J. Peterson and Julie I. Peterson

Property Address: 2135 N. Irvine Street
Cornelius, OR 97113

Property Description: (as shown in Pacific Northwest Title of Oregon, Inc.'s Preliminary Title report issued by Pacific Northwest Title of Oregon, Inc. under order No. 07302637 dated November 20, 2007 a copy of which has been received and approved by the undersigned).

These joint escrow instructions may be executed in counterparts with like effect as if all signatures appeared on a single copy.

SELLER deposits with you under these instructions the following:

Statutory Warranty Deed; Indemnity and Affidavit; IRS 1099-S; approved copy of preliminary title report; approved estimated closing statement (escrow holder is authorized to adjust statement to reflect actual costs on date of disbursement); and authorizes delivery, release thereof (if so directed) and recording where appropriate, when you hold for the account of Seller the sum of (\$289,900.00) and authorizes payments and credits in accordance with the Seller's Estimated Closing Statement attached and made a part hereof.

Escrow Agent will record/file the necessary legal instruments and then payoff such encumbrances of record as may exist at time of recording/filing such instruments, and shall not be responsible for liens attaching after said date. Escrow Agent may utilize the procedure authorized by ORS 86.720 for reconveyance of any trust deed(s) to be paid and hereby waives any right to notice pursuant to the provisions of said statute. Seller hereby acknowledges that they have and shall have continuing obligations to cooperate with Escrow Agent in good faith to enable Escrow Agent to fulfill its responsibilities under this agreement. Such obligations of Seller shall survive the closing of the transaction described herein and shall include, without limitation, the obligation to (i) disclose to Escrow Agent any liens, encumbrances or any other rights, claims or matters known to Seller which affect or relate to the property and transactions referred to in this agreement, and (ii) return to Escrow Agent for proper disposition any funds, documents or other property which, for any reason, are improperly or mistakenly released to Escrow Agent or to Seller.

PURCHASER deposits with you under these instructions the sum of (\$PER ESTIMATED STATEMENT) and the following items:

Duly executed loan documents causing lender to deposit loan funds; approved copy of Deed; approved copy of preliminary title report; approved estimated closing statement (escrow holder is authorized to adjust statement to reflect actual costs on date of disbursement) and will deposit with you such other sums and items as may be required to enable you to comply with these instructions, and authorizes payments and credits in accordance with the Purchaser's Estimated Closing Statement attached and made a part hereof, which sums and items you are authorized to deliver, release, pay over and record where appropriate, when you hold for the account of the Purchaser; Executed Warranty Deed

Along with your specified form of policy of title insurance for: (\$ amount and policy type specified below)

- ☒ ALTA Standard Owner's Title Policy in amount of \$289,900.00
- ☒ ALTA Mortgagee's Extended Coverage Policy in amount of \$224,900.00

subject to printed conditions and exceptions in the usual form of title insurance policy, matters attaching by, through, or under the Purchaser, and the following paragraphs of the preliminary title report noted above: 6, 8-12 and new trust deed

showing title vested in: David J. Peterson and Julie I. Peterson.

TERMS AND CONDITIONS OF THE 2003 HOMEBUYERS PROTECTION ACT (HB 3539) HAVE BEEN COMPLIED WITH TO THE SATISFACTION OF THE UNDERSIGNED OR WILL BE HANDLED BETWEEN THE PARTIES OUTSIDE OF ESCROW.

INITIALS:

Prorate** and adjust as of the following date: Close of Escrow

** Real property taxes \$2772.98

** Homeowner's association dues \$/n/a

The undersigned acknowledge that the seller herein states that the subject property is part of no active homeowners' associations, although the recorded covenants, conditions and restrictions affecting the subject property may provide for the establishment and maintenance of a homeowners' association. Pacific Northwest Title of Oregon, Inc. is instructed to make no adjustment between the parties or collection or payment for any dues, assessments and/or fees for COUNCIL CREEK ESTATES Homeowners' Association, or any other homeowners' association. Pacific Northwest Title of Oregon, Inc. is hereby held harmless from all liability and responsibility in connection with said dues, assessments and/or fees.

** Rent proration \$/n/a

In the event any portion of the buyer's required deposit is in the form of loan funds from a lender, buyer and seller authorize recording of the within deposited documents, to secure lender's lien on the subject premises, prior to the lender funding their loan. It is understood that seller's proceeds will be disbursed upon receipt of the loan funds from the new lender. All funds deposited in this escrow shall be disbursed in accordance with Real Estate Administration Rule #863-50-055.

If you are not able to comply with these instructions on or before 30 DAYS FROM DATE, said money and/or instruments shall thereafter be returned to me on my written demand, but in the absence of such demand you will proceed to comply with these instructions as soon as possible thereafter. When time is of the essence in requiring performance of any condition this escrow and delivery of the documents or monies necessary is not made until the last day limited and defined herein, no tender of such performance or compliance shall be binding upon you unless made prior to 10:00 a.m. on said day, and you are authorized to perform duties imposed hereunder on the next business day without liability for delay in closing of the escrow.

NOTES: TERMS AND CONDITIONS OF THE EARNEST MONEY AGREEMENT HAVE BEEN COMPLIED WITH TO THE SATISFACTION OF THE UNDERSIGNED OR WILL BE HANDLED BETWEEN PARTIES OUTSIDE OF ESCROW. PARTIES HEREIN ACKNOWLEDGE THAT Pacific Northwest Title of Oregon, Inc. IS EXEMPT FROM COMPLIANCE WITH THE FOREIGN INVESTMENT ACT. ANY COMPLIANCE WITH SAID ACT WILL BE HANDLED BETWEEN THE PARTIES OUTSIDE OF ESCROW. IN ADDITION, REQUIREMENTS OF THE AGRICULTURAL FOREIGN INVESTMENT DISCLOSURE ACT OF 1978 WILL BE HANDLED OUTSIDE OF ESCROW.

It is understood that water, sewer, waste collection, electricity and utility charges and inventory for fuel will be adjusted between Seller and Purchaser outside this escrow.

Seller shall provide all information necessary, including a taxpayer identification number, for the preparation of a Form 1099-S as required by the Internal Revenue Service in connection with the closing and completion of the transaction. If seller fails to furnish adequate information, then seller will be subject to all IRS Regulations, including the possible withholding of twenty percent (20%) of the sales price. Pacific Northwest Title of Oregon, Inc., is authorized to release a copy of the signed Form 1099-S to lenders upon their request.

In the event wired funds are not received by Pacific Northwest Title of Oregon, Inc., with sufficient time to wire out or invest funds, the undersigned parties release Pacific Northwest Title of Oregon, Inc., of all liability relating to any additional interest charges assessed.

Pacific Northwest Title of Oregon, Inc., receives banking benefits from non-interest bearing trust account deposits. These benefits are in the form of miscellaneous banking and accounting services, i.e. cashier's checks, wire transfers. The benefit received averages nineteen dollars (\$19.00) per escrow file.

You are to have no liability or responsibility with respect to any matters connected with the following (unless expressly authorized herein): (1) Compliance with requirements of the Consumer Credit Protection Act or Inter-State Land Sales Act, or similar laws; (2) Title to personal property, or encumbrances thereon, including personal property taxes, sales tax and instruments filed under the Uniform Commercial Code, or leased equipment on premises; (3) Forgeries or false personations of any person or party in connection with these instructions or this escrow; (4) Fire Insurance and any other insurance coverage and Seller and Purchaser agree that such coverage will be provided for outside this escrow.

All funds received in this escrow shall be deposited with other escrow funds in a general escrow account or accounts of Pacific Northwest Title of Oregon, Inc., with any State or National Bank, and may be transferred to any other such general escrow account or accounts.

All disbursements shall be made by check of Pacific Northwest Title of Oregon, Inc., or by wire transfer.

Should any checks disbursed from this escrow be lost or otherwise not cashed, Pacific Northwest Title of Oregon, Inc. is authorized to deduct any fees charged by the bank for stopping payment on the original check from the amount of the reissued check.

All adjustments to be made on a per diem basis.

INITIALS:

When requested to do so, a copy of the Escrow Instructions and closing statement showing disbursements, in accordance with these instructions, may be delivered to the broker/realtor who consummated the transaction, the mortgagee or its agent or to my attorney.

You will file for recording the necessary legal instruments and you are then authorized to pay off such encumbrances of record as may exist at time of filing such instruments, to permit issuance of said title policy as above stated and shall not be responsible for liens in the event wired funds are not received by Pacific Northwest Title of Oregon, Inc., with sufficient time to wire out or in-vest funds, the undersigned parties release Pacific Northwest Title of Oregon, Inc., of all liability relating to any additional interest charges assessed.

The parties acknowledge that Pacific Northwest Title of Oregon, Inc. may seek a judicial resolution of any dispute regarding this escrow by what is known as an interpreter proceeding pursuant to Rule 31 of the Oregon Rules of Civil Procedure. In such event, you also may seek to deposit the funds, documents and other property in escrow with the court conducting the interpreter proceeding. Pursuant to Rule 31, you may also seek a hearing for the purpose of obtaining a release of its liability and an award from the court of a reasonable attorney fee in addition to costs and disbursements.

If Pacific Northwest Title of Oregon, Inc., or any party to this agreement, retains the services of an attorney, for a matter arising out of this transaction or to enforce or interpret any provision of this agreement, the prevailing party shall be entitled to recover its reasonable costs, expenses, collections costs, and attorney fees, whether or not formal legal action is required, at trial, arbitration, on appeal, and in any bankruptcy. The award of attorney's fees herein granted shall survive the cancellation of these Escrow Instructions.

In the event, following the close of escrow, any payoff amount provided by any encumbrance or lien holder, is insufficient to retire the debt, or adjustment must be made to clear title, you shall pay the deficiency. Thereafter, the party(ies), upon demand of Escrow Agent, will immediately pay you the amount of such deficiency.

The foregoing constitutes your entire and exact instructions and you shall not be concerned with oral directives, earnest money agreements or other writings, other than a mutual written amendment to these instructions.

DECLARATION OF ESCROW SERVICES

All parties acknowledge by their signatures hereon, the following:

I have been specifically informed that Pacific Northwest Title of Oregon, Inc., is not licensed to practice law and no legal advice has been offered by Pacific Northwest Title of Oregon, Inc., or any of its employees. I have been further informed that Pacific Northwest Title of Oregon, Inc., is acting only as an escrow holder and 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.

I have not been referred by Pacific Northwest Title of Oregon, Inc., to any named attorney or attorneys or discouraged from seeking advice of an attorney but have been requested to seek legal counsel of my own choosing at my own expense, if I have doubt concerning any aspect of this transaction.

I further declare all instruments to which I am a party, if prepared by Pacific Northwest Title of Oregon, Inc., have been prepared under the direction of my attorney or myself and particularly declare that copying legal descriptions from title reports into forms of deeds, etc. or reforming of legal descriptions or agreements is, or will be solely at my direction and request. I acknowledge that draft copies of any deeds, trust deeds, notes and/or amortization schedules prepared by Pacific Northwest Title of Oregon, Inc. were delivered to me at least three (3) days prior to execution of these instructions.

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

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

INITIALS:

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE ESCROW INSTRUCTIONS OR THOSE ESCROW INSTRUCTIONS WHICH ARE ATTACHED HERETO THAT SUCH INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY, AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

SELLERS:

BUYERS:

Michael A. Usner

Date

David J. Peterson

Date

Rebecca R. Usner

Date

Julie I. Peterson

Date

Date

Date

Date

Date

SELLER FORWARDING ADDRESS

BUYER FORWARDING ADDRESS

Receipt of money and/or instruments hereinabove mentioned is hereby acknowledged.

Pacific Northwest Title of Oregon, Inc.

By

Christy R. Pilson, Escrow Officer

Revised 9/2000



ADDITIONAL/SUPPLEMENTAL ESCROW INSTRUCTIONS

To:	Pacific Northwest Title of Oregon, Inc.
	9020 SW Washington Square Rd.
	Suite 170
	Tigard, OR 97223
Attn:	Christy R. Pilson

Date:	December 5, 2007
Escrow No.:	07302637

Our instructions to you in the above numbered escrow are hereby amended/supplemented as follows:

The parties herein authorize and instruct Pacific Northwest Title of Oregon, Inc., to amend, correct, add, or delete to the grantees' vesting on the Warranty Deed handed herewith over the signatures of the grantors to match the vesting of the grantor on the Trust Deed to be deposited into escrow by lender herein. Pacific Northwest Title of Oregon, Inc., is also instructed to issue the Owner's Policy with the vested owner as shown on the amended Warranty Deed, which may be contrary to the Joint Escrow Instructions executed concurrently herewith. These instructions are to be in compliance with the lender's instructions and shall supersede any instructions executed previously or concurrently.

THE UNDERSIGNED BUYER(S) AND SELLER(S) HEREBY ACKNOWLEDGE, ACCEPT AND AGREE THAT ALL OF THE TERMS AND CONDITIONS OF THAT CERTAIN EARNEST MONEY RECEIPT AND AGREEMENT TO PURCHASE BETWEEN THE UNDERSIGNED PARTIES, AND ALL ADDENDUMS THERETO, AND MADE A PART HEREOF BY THIS REFERENCE, HAVE BEEN MET AND/OR SATISFIED.

IT IS UNDERSTOOD BY THE PARTIES SIGNING THE ABOVE ESCROW INSTRUCTIONS OR THOSE ESCROW INSTRUCTIONS WHICH ARE ATTACHED HERETO THAT SUCH INSTRUCTIONS CONSTITUTE THE WHOLE AGREEMENT BETWEEN THIS FIRM AS AN ESCROW AGENT AND YOU AS A PRINCIPAL TO THE ESCROW TRANSACTION. THESE INSTRUCTIONS MAY NOT INCLUDE ALL THE TERMS OF THE AGREEMENT WHICH IS THE SUBJECT OF THIS ESCROW. READ THESE INSTRUCTIONS CAREFULLY AND DO NOT SIGN THEM UNLESS THEY ARE ACCEPTABLE TO YOU.

Dated this December 5, 2007.

SELLER:

Michael A. Usner	Rebecca R. Usner
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BUYER:

David J. Peterson	Julie I. Peterson
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Received	Time
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By: _____

1099-S INPUT FORM

ORDER/ESCROW NO.

07302637-002

SUBJECT PROPERTY INFORMATION:

2135 N. Irvine Street
Cornelius, OR 97113

CONTRACT SALES PRICE

\$289,900.00

SELLER IS A FOREIGN CORPORATION:

YES ☐ NO ☒

TRANSACTION IS PART OF AN IRC §1031 EXCHANGE

YES ☐ NO ☒

(on behalf of seller):

NUMBER OF 1099s TO BE PRODUCED FOR THIS

1

TRANSACTION:

IF MORE THAN ONE SELLER:

Percentage (or dollar amount) of gross sales price to be reported

_____%

For undersigned:

(or \$ _____)

You are required by law to provide your closing agent with your correct taxpayer identification number. If you do not provide your closing agent with your correct taxpayer identification number, you may be subject to civil penalties imposed by law under the Tax Reform Act of 1986, under Internal Revenue Code Sections 6045(e), 6676, 6722, 6723 and 7203.

NAME:

REQUIRED
(To be reported on 1099)

Michael A. Usner

ADDRESS:

(To be reported on 1099. Cannot be property address. If a residence forwarding address is not available, please provide a business, family, PO BOX, or friend's address.)
REQUIRED

11552 Grand Pine Drive

Montgomery, TX 77356

SOCIAL SECURITY NUMBER (SSN) or
TAXPAYER IDENTIFICATION NUMBER (TIN) or
EMPLOYER IDENTIFICATION NUMBER (EIN)
REQUIRED
(To be reported on 1099)

585-37-7921

CERTIFICATION: Under penalties of perjury, I certify that the number shown on this statement is my correct identification number.

Michael A. Usner

Date

Rebecca R. Usner

Date

Date

Date

After Recording Return To:
David J. Peterson and Julie I. Peterson
2135 N. Irvine Street
Cornelius, OR 97113

Until a change is requested all tax statements shall be sent to the following address:

David J. Peterson and Julie I. Peterson
2135 N. Irvine Street
Cornelius, OR 97113

STATUTORY WARRANTY DEED

Michael A. Usner and Rebecca R. Usner, Grantor, conveys and warrants to David J. Peterson and Julie I. Peterson, Grantee, the following described real property free of encumbrances except as specifically set forth herein:
Lot 195, COUNCIL CREEK ESTATES, in the City of Cornelius, County of Washington and State of Oregon.

This property is free from encumbrances, EXCEPT: Covenants, conditions, Restrictions, Easements, Right of ways and Reservations now of record.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER SECTIONS 2, 3 AND 5 TO 22 OF CHAPTER 424, OREGON LAWS 2007. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER SECTIONS 2, 3 AND 5 TO 22 OF CHAPTER 424, OREGON LAWS 2007.

The true consideration for this conveyance is \$289,900.00. (Here comply with the requirements of ORS 93.030)
Dated this December 5, 2007.

Michael A. Usner	Rebecca R. Usner
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STATE OF
County of } ss

On this December 5, 2007, before me, the undersigned, personally appeared the within named Michael A. Usner and Rebecca R. Usner known to me to be the identical individuals who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

Notary Public for the State of
My commission expires:



INDEMNITY AND AFFIDAVIT

ORDER NO.: 07302637
DATE: December 5, 2007
STATE OF OREGON
COUNTY OF Washington

SUBJECT PROPERTY: 2135 N. Irvine Street
Cornelius, OR 97113

On this day I/We, Michael A. Usner and Rebecca R. Usner, upon oath do represent to the purchaser and/or lender in this transaction and Pacific Northwest Title of Oregon, Inc. and its underwriter that to the best of my knowledge:

1. The above described property is free and clear of all liens, taxes, encumbrances and claims of every kind, nature and description whatsoever, except those referred to in the above mentioned preliminary commitment for title insurance.
2. That there have been no improvements, alterations or repairs to the above described property for which the costs thereof remain unpaid. That there are no unrecorded construction, labor or material liens or State of Oregon unemployment compensation liens or workman's compensation liens.
3. The personal property contained in the buildings on said property or on the said premises and which, if any, is being sold to the purchasers is also free and clear of all liens, encumbrances, claims and demands whatsoever.
4. There are no violations of municipal ordinances or zoning regulations pertaining to the above described property.
5. No judgment or decree which remains unsatisfied has been entered in any court against said affiants.
6. That there are no assessments for local improvements and/or special assessments against the property. There are no unpaid liens in favor of any city, county, service district, or port authority for unpaid service charges for water system or sewer system serving the above described property.
7. I have not purchased on credit, or borrowed against any fixtures, such as furnaces, hot water heaters, built-in appliances, air conditioning units, wall to wall carpeting or draperies, attached to the house or buildings, or on growing crops or timber.
8. The property at this date is in the possession of: the undersigned
9. There are no existing leases of any nature thereon except: none
10. There are no loans or liens (including Federal or State Liens or Judgment Liens) of any kind on such property except the following:

CREDITORS
None other than shown on the above referenced report
dated November 20, 2007

APPROXIMATE AMOUNT

Continued on next page



11. Check applicable box or boxes:

- ☐ A The attached survey accurately reflects the present location of the improvements.
- ☒ B There have been no changes or additions affecting the location of the improvements during my/our ownership.

The undersigned agree that in the event the real estate or personal property taxes vary in amount from the figures used in making the proration at closing, a new proration and a correct and proper adjustment may be made upon demand.

The undersigned under penalty of perjury, hereby represents that his/her/their United States taxpayers identification number (Social Security or Corporate taxpayer ID number) is 585-37-7921 and that he/she/they or it is/are not a foreign person or foreign corporation for the purposes of the Foreign Investment Real Property Tax Act.

I understand that the title insurance company is being induced and is relying on this affidavit and indemnity to provide title insurance without exception to certain matters not shown by the public records.

I agree to pay on demand all amounts secured by any and all liens not shown above, together with all costs, loss and attorney's fees that may be incurred in connection with such unmentioned liens, provided said liens currently apply to such property or are subsequently established against said property and are created by me, known to me, and have an inception date prior to the consummation of this transaction.

Michael A. Usner

Rebecca R. Usner

STATE OF
County of }
ss

On December 5, 2007 personally appeared the above named Michael A. Usner and Rebecca R. Usner and acknowledged the foregoing instrument to be their voluntary act and deed.

Notary Public for Oregon
My commission expires:



SUPPLEMENTAL ESCROW INSTRUCTIONS

TO: Pacific Northwest Title of Oregon, Inc.

RE: Escrow No. 07302637

Our instructions to you in the above numbered escrow are hereby supplemented as follows:

YOU ARE HEREBY INSTRUCTED TO DELIVER NET PROCEEDS TO THE UNDERSIGNED IN THE FOLLOWING MANNER:

(initial choice)

Call the undersigned at this number to pick up a check:

NOTICE: Our banking relationship with U.S. Bank includes a fraud prevention procedure called "positive pay". This procedure – which normally takes 12 to 24 hours – requires that we verify all checks we issue through our trust account with those presented to U.S. Bank for payment. If your intent is to immediately cash or deposit this check at U.S. Bank, please call: (503) 469-5259 for advance approval upon receipt, or advise your escrow officer.

Deposit funds directly to the account of the undersigned. A deposit slip is attached for your use, or account information is as follows:

☐ **OR** (Please note that your financial institution may place a "hold" of 5 to 10 days on any checks deposited into your account. Wired funds are not subject to this same "holding" requirement by your financial institution.)

Wire funds directly to the account of the undersigned in accordance with the attached wiring instructions or as follows:

(Please note that your financial institution may charge you a fee to receive wired funds into your account.)
Mail a check to the undersigned at the following address:

By (indicate which):

- ☐ Regular U.S. Mail
- ☐ Messenger service (limited to business addresses in the courier company's Portland service area.)
- ☐ Express U.S. Mail
- ☐ Overnight mail (UPS/FedEx) (Escrow is authorized to deduct the fee for these services from the net proceeds check.)

Transfer net proceeds to escrow # _____ held at: _____
☐ Pacific Northwest Title of Oregon, Inc. by check, or ☐ _____ Title,
by wire in accordance with its wiring instructions as attached,
☐ in the amount of \$ _____, ☐ in the amount necessary to close that escrow, or ☐ total
proceeds. Any balance shall be disbursed as marked separately in these instructions.

Other:

Dated: December 5, 2007

Michael A. Usner
Rebecca R. Usner

The foregoing instructions have been acknowledged and received by:
Pacific Northwest Title of Oregon, Inc.

By: _____
Christy R. Pilson
Dated: _____