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POLICY OPINION

PURCHASERS:

James H. Donovan and Charmaine P. Donovan

LEGAL DESCRIPTION:

Real Property located in the County of Crow Wing, State of Minnesota, legally described as follows:

See caption to abstract for legal description.

Cygnature File No.:

R9-45876B

Cygnature Title & Abstract, Inc.

13432 Elmwood Drive, Suite 1

Baxter, MN 56425

Dear Sir or Madam:

We have examined the Abstract of Title relative to the above premises consisting of 7.1 entries which was last continued to 8:00 am, January 8, 2010.

From such examination, we find that the title is marketable and the following items are needed prior to closing:

Deed(s) from:

Deija M. Thompson, a single individual, to purchaser(s). NOTE: inquiry should be made as to the marital status of Seller.

Title Issues:

There are numerous mistakes in various legal descriptions throughout the various excepted parcels. Errors are made that include the following:

- a. At entry 42 there is reference to the SE1/4SW1/4. This may not be significant if the angle of the east line of the SE1/4SE1/4 and SE1/4SW1/4 are the same (which would seem to make sense). If the angles should differ, there may be a boundary issue.
- b. Entry 46 fails to include the language "thence North along said east line". This error is repeated at various entries, including 58, 59, 60, and 61.
- c. Entry 70: The legal description may or may not be accurate. At one portion, it states: "thence South 02 degrees 55 minutes 07 seconds East 824.10 feet to the South line of the North 823.09 feet" This could result in potential boundary line issues.

The land was previously surveyed by Westwood. However, the survey identified different legal descriptions than those identified in the abstract caption as excepted parcels. The parcels at entries 69 and 70 were not included in the survey.

If boundary line issues are a concern, it would be appropriate to verify the legal descriptions and exchange corrective deeds as appropriate. It may also be appropriate to identify and consider correcting/defining the road easement (with a specific legal description). (Entry 41).

Satisfaction of Mortgage(s):

1. Entry 37 identifies a Mortgage in favor of First Federal Savings and Loan Association of Brainerd in the amount of \$1400.00. Title standard 25 may apply. The mortgage would need to be reviewed to determine if 15 years have elapsed since the date of maturity. If there is no date of maturity, the title standard would allow this mortgage to disregarded.

2. Entry 60 identifies a Mortgage in favor of Mid Minnesota Federal Credit Union in the amount of \$50,000.00.

Real Estate Taxes:

Delinquent Taxes in the sum of:

Tax year 2009 in the amount of \$230.39, plus Penalty of \$23.04, Cost of \$30.00 and Interest of \$2.36. Total amount figured through 1-31-2010 is \$285.79.

Current taxes: 2010 taxes are not yet available. Amounts payable in 2010 include a portion of special assessments.

Other:

Entry 40 identifies a Highway Easement in favor of Crow Wing County.

Entry 41 identifies a Road Easement, but the location of said easement is not defined. The Easement merely identifies an "easement for road purposes over the existing roadway" Issues relating to the easement should be excepted from the policy.

Entry 66 identifies a road circulation plan. Access should be verified.

Entry 67 identifies rules relating to Watershed District.

Dated: January 15, 1020.

Sincerely,



Richard Kreuzfeldt