



AmeriTitle, LLC
320 Church St. NE, Salem, OR 97301
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January 30, 2025
File Number: 662936AM
Report No.: 2
Title Officer: Teri Due Email: teri.due@amerititle.com

PRELIMINARY TITLE REPORT

Property Address: 4455 27th Avenue SE, Salem, OR 97302

Policy or Policies to be issued:
OWNER'S STANDARD COVERAGE

<u>Liability</u>	<u>Premium</u>
\$TBD	\$0.00
Reissue Rate	

Endorsements:
OTIRO 110 – No charge

Proposed Insured: **Home First Development, LLC**

ALTA LENDER'S COMMERCIAL (X) EXTENDED () STANDARD (Simultaneous) Proposed Insured:	\$TBD	\$0.00
Endorsements: OTIRO End 209.10-06, OTIRO End 222-06		\$100.00
Local Government Lien Search		\$100.00

We are prepared to issue ALTA (07/01/21) title insurance policy(ies) of Stewart Title Guaranty Company, in the usual form insuring the title to the land described as follows:

Legal description attached hereto and made a part hereof marked Exhibit "A"

and dated as of 28th day of January, 2025 at 7:30 a.m., title is vested in:

**27th Avenue Apartments Limited Partnership, an Oregon limited partnership, as to Fee Interest and E.
Harold Schipporeit and Grace E. Schipporeit, as to a Life Estate**

The estate or interest in the land described or referred to in this Preliminary Title Report and covered herein is:

FEE SIMPLE

Except for the items properly cleared through closing, Schedule B of the proposed policy or policies will not insure against loss or damage which may arise by reason of the following:

GENERAL 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 real property or by the Public Records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Facts, rights, interests or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the Public Records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment (of existing improvements located on the subject Land onto adjoining Land or of existing improvements located on adjoining Land onto the subject Land) encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the subject Land.
5. Any lien, or right to a lien, for services, labor, material, equipment rental, or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

EXCEPTIONS 1 THROUGH 5 ABOVE APPLY TO STANDARD COVERAGE POLICIES AND MAY BE MODIFIED OR ELIMINATED ON AN EXTENDED COVERAGE POLICY.

SPECIAL EXCEPTIONS:

6. Taxes assessed under Code No. 24010 [Account](#) No. 532206 [Map](#) No. 083W12C000600, including the current fiscal year, not assessed because of HOUAUT 307.092 ORS Exemption. If the exempt status is terminated an additional tax may be levied.
7. Taxes assessed under Code No. 24010 [Account](#) No. 532205 [Map](#) No. 083W12C000800 including the current fiscal year, not assessed because of HOUAUT 307.092 ORS Exemption. If the exempt status is terminated an additional tax may be levied.
8. City liens, if any, of the City of Salem.
9. The property lies within and is subject to the levies and assessments of the Marion Soil and Water Conservation District.
10. Right, title and interest of the public in and to those portions of the Land lying within roads, streets or highways.
11. Subject to the life estate created by instrument, including the terms and provisions thereof,
Recorded: February 11, 2022
Instrument No.: [Reel: 4594 Page: 176](#)
In favor of: E. Harold Schipporeit and Grace E. Schipporeit

12. An Unrecorded Residential Life Estate Agreement, with certain terms, covenants, conditions and provisions set forth therein and such other exceptions as may appear necessary upon recording thereof,
By: E. Harold Schipporeit and Grace E. Schipporeit
And Between: Equity Developers LLC
Disclosed by: Statutory Warranty Deed
Date: February 11, 2022
Recorded: February 11, 2022
Instrument No.: Reel: 4594 Page: 176
13. Terms and Conditions of that certain unrecorded License Agreement for Access, dated December 1, 2022, between E. Harold Schipporeit and Grace E. Schipporeit, and Equity Developers LLC.
14. Matters as disclosed by Survey by ASC Surveying, LLC,
Dated: October 10, 2022 and Revised November 15, 2022
Job No: 22034
As Follows: a) Possible unrecorded powerline easement
b) Paved driveway
15. Bond Regulatory Agreement, including the terms and provisions thereof,
Recorded: December 1, 2022
Instrument No.: [Reel: 4675 Page: 111](#)
16. Department Operating Agreement, including the terms and provisions thereof,
Recorded: December 1, 2022
Instrument No.: [Reel: 4675 Page: 112](#)
17. A Deed of Trust, Assignment of Rents, Assignment of Contracts, Security Agreement and Fixture Filing including the terms and provisions thereof, to secure the amount noted below and other amounts secured thereunder, if any,
Amount: \$15,750,000.00
Trustor/Grantor: 27th Avenue Apartments Limited Partnership, an Oregon limited partnership
Trustee: WFG National Title Insurance Company
Beneficiary: The State of Oregon, acting by and through its State Treasurer and its Housing and Community Services Department
Dated: December 1, 2022
Recorded: December 1, 2022
Instrument No.: [Reel: 4675 Page: 113](#)

Assignment of Deed of Trust and Collateral Loan Documents by The State of Oregon, acting by and through its State Treasurer and its Housing and Community Services Department in favor of Zions Bancorporation, National Association, as trustee for the benefit of KeyBank National Association, a National banking association, by assignment recorded December 1, 2022 as Instrument No. [Reel: 4675, Page: 114](#)

18. Assignment of Leases Rents:
Assignor: 27th Avenue Apartments Limited Partnership , an Oregon limited partnership
Assignee: The State of Oregon, acting by and through its State Treasurer and its Housing and Community Services Department, as assigned via the Assignment of Deed of Trust and Collateral Loan Documents by the State Treasurer and its Housing and Community Services Department in favor of Zions Bancorporation, National Association, as trustee for the benefit of KeyBank National Association, a national banking association
Recorded: December 2, 2022
Instrument No.: [Reel: 4675, Page: 229](#)

19. A Deed of Trust, Assignment of Leases and Rents, Assignment of Contracts, Security Agreement and Fixture Filing to secure an indebtedness in the amount shown below, and any other obligations secured thereby,
Amount: \$2,846,855.00
Trustor/Grantor: 27th Avenue Apartments Limited Partnership, an Oregon Limited Partnership
Trustee: WFG National Title Insurance Company
Beneficiary: KeyBank National Association, a national banking association, its successors and assigns
Dated: December 1, 2022
Recorded: December 2, 2022
Instrument No.: [Reel: 4675 Page: 231](#)
20. Assignment of Leases and Rents:
Assignor: 27th Avenue Apartments Limited Partnership, an Oregon Limited Partnership
Assignee: KeyBank National Association, a national banking association
Recorded: December 2, 2022
Instrument No.: [Reel: 4675 Page: 232](#)
21. A Financing Statement filed in the Office of the County Recorder showing:
Debtor: 27th Avenue Apartments Limited Partnership, an Oregon Limited Partnership
Secured Party: Zions Bancorporation, National Association, as Trustee
Recorded: December 2, 2022
Instrument No.: [Reel: 4675 Page: 230](#)
22. A Financing Statement filed in the Office of the County Recorder showing:
Debtor: 27th Avenue Apartments Limited Partnership, an Oregon Limited Partnership
Secured Party: KeyBank National Association, a national banking association
Recorded: December 2, 2022
Instrument No.: [Reel: 4675 Page: 233](#)
23. A Deed of Trust, including the terms and provisions thereof, to secure the amount noted below and other amounts secured thereunder, if any:
Amount: \$5,100,000.00
Trustor/Grantor: 27th Avenue Apartments Limited Partnership, an Oregon Limited Partnership
Trustee: WFG National Title Insurance Company
Beneficiary: Oregon Housing Community Services Department
Dated: September 1, 2022
Recorded: December 2, 2022
Instrument No.: [Reel: 4675 Page: 234](#)
24. Inter-Creditor Agreement, including the terms and provisions thereof,
Recorded: December 2, 2022
Instrument No.: [Reel: 4675 Page: 279](#)
Between: The State of Oregon, acting by and through its Housing and Community Services Department
and: Zions Bancorporation, National Association, a national banking association, as trustee, and KeyBank National Association, a national banking association
25. A Deed of Trust, Assignment of Leases and Rents, Assignment of Contracts, Security Agreement and Fixture Filing (Rate Lock) including the terms and provisions thereof, to secure the amount noted below and other amounts secured thereunder, if any,
Amount: \$180,000.00
Trustor/Grantor: 27th Avenue Apartments Limited Partnership, an Oregon Limited Partnership
Trustee: WFG National Title Insurance Company
Beneficiary: KeyBank National Association, a national banking association, its successors and assigns
Dated: September 12, 2022
Recorded: December 2, 2002
Instrument No.: [Reel: 4675 Page: 280](#)

26. A Deed of Trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby,
Amount: \$2,801,974.00
Trustor/Grantor: 27th Avenue Apartments Limited Partnership, an Oregon Limited Partnership
Trustee: WFG National Title Insurance Company
Beneficiary: State of Oregon, acting by and through its Housing and Community Services Department
Dated: December 1, 2022
Recorded: December 2, 2022
Instrument No.: [Reel: 4675 Page: 281](#)
27. Priority and Subordination Agreement, including the terms and provisions thereof,
Recorded: December 2, 2022
Instrument No.: [Reel: 4675 Page: 325](#)
Between: KeyBank National Association, a national banking association, Zions Bancorporation, National Association, The State of Oregon acting by and through its State Treasurer and its Housing and Community Services Department
And: 27th Avenue Apartments Limited Partnership, an Oregon limited partnership, Equity Developers LLC, an Oregon Limited Liability Company, and HFD South Salem LLC, an Oregon Limited Liability Company
28. Notice of Decision, including the terms and provisions thereof,
Recorded: February 27, 2023
Instrument No.: [Reel: 4691 Page: 110](#)
29. An easement including the terms and provisions thereof, affecting the portion of said Land and for the purposes stated therein as set forth in instrument:
Granted To: Portland General Electric Company
Recorded: April 20, 2023
Instrument No.: [Reel: 4703 Page: 79](#)
30. An easement including the terms and provisions thereof, affecting the portion of said Land and for the purposes stated therein as set forth in instrument:
Granted To: Comcast Cable Communications Management, LLC
Recorded: July 7, 2023
Instrument No.: [Reel: 4722 Page: 363](#)
31. Improvement Agreement, including the terms and provisions thereof,
Recorded: January 10, 2024
Instrument No.: [2024-01193](#)
32. Agreement and the terms and conditions contained therein
Between: VESTING: 27th Avenue Apartments, LP
And: City of Salem, Oregon
Purpose: Private Stormwater Facility Maintenance Covenant and Access Easement
Recorded: January 10, 2024
Instrument No.: [2024-01233](#)
33. Declaration of Deed Restrictions and Agreement of Declarant Concerning Affordabi, including the terms and provisions thereof,
Recorded: November 22, 2024
[Instrument](#) No.: 2024-36294
34. Restrictions as shown on the official [plat](#) of said Land.
35. Easements as shown on the Partition [Plat](#) No. 2024-57.

36. According to the available County Assessor's Office records, the Land is purported to have no improvements and/or is non-owner occupied. Upon confirmation that the seller's identity has been verified, the Company may amend this Preliminary Title Report to add, among other things, additional exceptions or requirements.
37. Rights of tenants under existing leases or tenancies.
38. Personal property taxes, if any.
39. The Company will require the following documents for review prior to the issuance of any title assurance predicated upon a conveyance or encumbrance from the limited partnership named below:

Name: 27th Avenue Apartments Limited Partnership

- (a) A complete copy of the limited partnership agreement and any amendments or restatements thereto
- (b) Evidence that the partnership was validly formed and in good standing
- (c) If less than all general partners are executing documents, furnish evidence of the signing partner(s) authority, unless authorized in the above-referenced documents.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

40. The Company will require a copy of the Operating Agreement (including any approvals of withdrawal of member(s) or acceptance of new member(s)) and the Articles of Organization of Home First Development, LLC for its examination prior to closing. Any conveyance or encumbrance of the Limited Liability Company's property must be executed by all of the members unless otherwise provided for in the Operating Agreement.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

41. Any lien, or right to a lien, for services, labor, material, equipment rental, or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

To remove this item, the Company will require an affidavit and indemnity on a form supplied by the Company.

IF THE ABOVE EXCEPTION IS TO BE REMOVED FROM A FORTHCOMING POLICY PRIOR TO THE EXPIRATION OF THE STATUTORY LIEN PERIOD, THE COMPANY MUST BE CONTACTED REGARDING ITS UNDERWRITING REQUIREMENTS FOR EARLY ISSUE.

42. Persons in possession or claiming the right of possession.

To remove this item, the Company will require an affidavit and indemnity on a form supplied by the Company.

INFORMATIONAL NOTES:

NOTE: As of the date hereof, there are no matters against the party(ies) shown below which would appear as exceptions to coverage in a title insurance product:

Parties:

Home First Development LLC

NOTE: Taxes assessed under Code No. 24010 [Account](#) No. 532206 Map No. 083W12C00600
The 2024-2025 Taxes: \$7,411.75, are paid. (PARENT TAX ACCOUNT)

NOTE: Taxes assessed under Code No. 24010 [Account](#) No. 532205 Map No. 083W12C00800
The 2024-2025 Taxes: \$0.00 (zero), Paid in Full. (PARENT TAX ACCOUNT)

NOTE: A Completion Notice was recorded March 27, 2024, as Instrument No. [2024-008971](#).

NOTE: We find the following deed affecting said Land recorded within 24 months of the date of this report:

Document: Statutory Warranty Deed

Grantor: Equity Developers LLC, an Oregon limited liability company

Grantee: 27th Avenue Apartments Limited Partnership, an Oregon limited partnership

Recorded: December 1, 2022

Instrument No.: Reel: 4675 Page: 110

NOTE: This Report No. 2 was updated to reflect the following changes:

1. Update Effective date
2. Amend Tax Information on Tax Account 532205
3. Amend Legal Description

NOTE: Any map or sketch enclosed as an attachment herewith is furnished for information purposes only to assist in property location with reference to streets and other parcels. No representation is made as to accuracy and the company assumes no liability for any loss occurring by reason of reliance thereon.

NOTE: Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the parties to the transaction must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.

NOTE: Due to current conflicts or potential conflicts between state and federal law, which conflicts may extend to local law, regarding marijuana, if the transaction to be insured involves property which is currently used or is to be used in connection with a marijuana enterprise, including but not limited to the cultivation, storage, distribution, transport, manufacture, or sale of marijuana and/or products containing marijuana, the Company declines to close or insure the transaction, and this Preliminary Title Report shall automatically be considered null and void and of no force and effect.

THIS PRELIMINARY TITLE REPORT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACTIONAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

This report is preliminary to the issuance of a policy of title insurance and shall become null and void unless a policy is issued and the full premium paid.

End of Report

"Superior Service with Commitment and Respect for Customers and Employees"

EXHIBIT "A"
LEGAL DESCRIPTION

Parcel 2 of Partition Plat No. 2024-57, in the City of Salem, County of Marion and State of Oregon.
(Recorded October 22, 2024 in Instrument No. 2024-033077, Marion County Deed Records.)