

Real Estate Right of Way and Claims

Date:

July 30, 2012

To:

Elaine Clifford

Records Center

From:

Barbara Mention

Real Estate

Subject:

Easement-Section 20, Standish Township, Arenac County, Michigan

Almeda-Twining Capital Project – B0002664

Attached are papers related to the acquisition of a Transmission Line Easement, dated February 23, 2012 to Michigan Electric Transmission Company, LLC (METC) from Elizabeth and Matthew J. Schwab, wife and husband, whose address is 2357 Sagatoo Road, Standish, Michigan 48658.

Additional easement rights were acquired as a result of upgrading the existing Almeda-Twining circuit from 138kV to 230kV.

The additional easement area is shown shaded in gray on attached survey drawing.

The easement consideration fee was \$1,700.00.

The easement was negotiated by William Zimmerman, Stempin & Associates Land Services Inc.

Please incorporate these papers into the appropriate METC database file.

/bm

Attachments

Cc:

M. Ely

J. Kehoe

S. Sczytko

J. Smith



Policy or Policies issued pursuant to this commitment are underwritten by:

First American Title Insurance Company

SCHEDULE A

Commitment No.: 554193

2047

Dept Code 01.1.3 WO 80002884

Date Printed: October 05, 2011

1. Effective Date: September 20, 2011 @ 8:00 AM

2. Policy or Policies to be issued:

(a) Residential Title Insurance Policy

Policy Amount \$1,000.00

Proposed Insured: Prospective Purchaser

- 3. The Fee Simple interest in the land described in this Commitment is owned, at the Commitment Date, by: Elizabeth Schwab and Matthew J. Schwab, wife and husband
- 4. The land referred to in this Commitment, situated in the County of Arenac, Township of Standish, State of Michigan, is described as follows:

(SEE EXHIBIT A LEGAL DESCRIPTION)

2357 Sagatoo Road MI



Issued By: First American Title Insurance Company For questions regarding this commitment contact; (989)835-6781 or fax to (866)540-5612 1515 Commerce Ct.
Midland, MI 48642

First American Title Insurance Company 1515 Commerce Ct. Midland, MI 48642

Schedule B – Section I REQUIREMENTS

Commitment No.: 554193

General Requirements

The following requirements must be met:

- (a) Payment of the full consideration to, or for the account of, the grantors or mortgagors should be made.
- (b) Payment of all taxes, charges, assessments, levied and assessed against subject premises, which are due and payable should be made.

(c) Pay us the premiums, fees and charges for the policy.

- (d) You must tell us in writing the name of anyone not referred to in this Commitment who will receive an interest in the land or who will make a loan on the land. We may make additional requirements or exceptions.
- (e) Submit completed Owner's Estoppel/Affidavit/ALTA Statement on the form provided by this company and signed by or on behalf of all owners.

Specific Requirements

Documents satisfactory to us creating the interest in the land and/or mortgage to be insured must be signed, delivered and recorded:

- 1. PROVIDE EVIDENCE OF THE PURCHASE PRICE OR THE AMOUNT OF ANY MORTGAGE TO BE INSURED AND IDENTIFY ANY PROPOSED INSURED. ONCE A PROPOSED INSURED HAS BEEN IDENTIFIED, ADDITIONAL REQUIREMENTS AND EXCEPTIONS MAY BE MADE.
- 2. WARRANTY DEED FROM ELIZABETH SCHWAB AND MATTHEW J. SCHWAB, WIFE AND HUSBAND TO PROSPECTIVE PURCHASER.
- 3. DISCHARGE(S) OF THE MORTGAGE(S) EXCEPTED ON SCHEDULE B SECTION II. IN THE EVENT ANY LIEN TO BE PAID, SATISFIED AND RELEASED OF RECORD IS AN EQUITY LINE OR FUTURE ADVANCE MORTGAGE, WE REQUIRE A WRITTEN PAYOFF REQUEST AUTHORIZED AND SIGNED BY THE MORTGAGOR TO THE LENDER REQUESTING THE PAYOFF AMOUNT AND INSTRUCTING THE LENDER, UPON RECEIPT OF THE REQUEST, TO FREEZE THE ACCOUNT, MAKE NO FURTHER ADVANCES AND TO RECORD A DISCHARGE OF MORTGAGE UPON RECEIPT OF PAYOFF FUNDS.

PRIOR TO OR AT CLOSING, SUBMIT AN AFFIDAVIT BY SELLER ATTESTING THAT SELLER HAS MADE NO WITHDRAWALS BY CHECK, DRAFT, ELECTRONIC TRANSFER OR OTHERWISE THAT WOULD INCREASE THE BALANCE DUE SINCE THE PROVISION OF A PAYOFF AMOUNT FOR THE ACCOUNT.

Pay unpaid taxes and assessments unless shown as paid:

2011 Summer Taxes in the amount of \$876.56 are PAID 2010 Winter Taxes in the amount of \$1,443.38 are PAID

Tax Parcel Identification:

Property Address: 2357 Sagatoo Road Tax Parcel No.: 010-1-020-200-005-00 2011 State Equalized Value: \$80,900.00 2011 Taxable Value: \$79,496.00

Principal Residence Exemption, as of past December 31: 100,00%

Special Assessments: None

School District: Standish-Sterling

The amounts shown as due do not include collection fees, penalties or interest.

NOTE: If subject property is connected to public/community water or sewer, furnish a copy of the current bill showing that all charges have been paid to date or the Owner's Policy to be issued will include an exception on Schedule B for water and sewer charges which became a lien prior to the date of the Policy.

09/09/2011 13:52 FAX 989 799 1996

COMPLETE LAND SERVICES

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GR 465/537 Arenac County Reg of Deeds
RS Date 08/10/2005 Time 11:02:55

MORTGAGE

Return To: Independent Bank Corporation Final Document Department 230 West Main Street Ionia, MI 49846

35105

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided. in Section 16.

(A) "Security Instrument" means this document, which is dated August 4, 2005 together with all Riders to this document.

(B) "Harrower" is Elisabeth A Schwab, FKA Elisabeth A Kangas, a married woman, Matthew J Schwab, her husband

Borrower's address is 2357 Sagatoo Rd, Standish, MI 48658 . Borrower is the mortgagor under this Security Instrument,

DOC #:717391/317391 MICHIGAN-Bingle Fornity-Fannity Moo/Freddle Mag UNIFORM INSTRUMENT

10AM #:1264603318 Form 2022 1/01

-B(M1) (0401) Page 1 of 18 1982, 6463

YMP Mortgage Solutions (800)521-7261

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465/538 (C) "Leader" is Independent Mortgage Co.Central MI Lenderisa corporation organized and existing under the laws of The State of Michigan Lander's address is 623 Washington Avenue, Bay City, MI 48708 Lender is the mortgages under this Security Instrument. (D) "Note" means the promiseory note signed by Bocrower and dated August 4, 2005 The Note states that Bonower owes Leader One Hundred Thousand and No/100 Dollars U.S.\$ 100,000.00) plus interest, Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than September 1, 2035 al (E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property. (F) "Loan" means the debt evidenced by the Note, plus interest, any propayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest. (G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]: Adjustable Rate Rider Condominium Rider Second Home Rider Balloon Rider Planned Unit Development Rider 1-4 Family Rider VA Rider Biweekly Payment Rider Other(s) [specify] (H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions. (I) "Community Association Dues, Fees, and Assetsments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization. (J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers. (K) "Escrow Etems" means those items that are described in Section 3. (L) "Miscellaneous Proceeds" means any compensation, sculoment, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (1) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in licu of condemnation; or (iv) misrepresentations of, or emissions as to, the value and/or

(M) "Mortgage Insurance" means insurance protecting Lender against the nunpsyment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument,

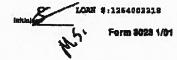
DOC 9:717392/317392

condition of the Property.

APPL 4:1264003318

-6(M)) (0401)

Page 2 of 15



09/09/2011 13:52 FAX 989 799 1996

COMPLETE LAND SERVICES

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Witnesses;			
	(Sen))	Shall Schwal	
	- Witness	Blizabeth A Schwab	
	(Sen.1) - Witness	Matthew J Solwab	~
	(Scal)		
	(Scal)		

DOC \$:717404/317404

APPL 8:1264003318 Page 14 of 18

LORES \$:1264003318 Form 5028 1/01

09/09/2011 13:52 FAX 989 799 1996

COMPLETE LAND SERVICES

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465/SBP

of 16

Legal Description Continued

Borrowers:

Elizabeth A Schwab

Property Address: 2357 Sagatoo Rd

Standish, MI 48658

Land situated in the Township of Standish, County of Arenac, State of Michigan.

The Northeast 1/4 of the Northwest 1/4 of Section 20, Township 18 North, Range 5 East, Standish Township, Arenas County, Michigan, except Right of Way for Detroit & Mackinac Railway Company and Right of Way to Bastern Michigan Power Company, now Consumers Fower Company. AND:

The North 1/2 of the Southeast 1/4 of the Morthwest 1/4 of Section 20, Township 18 North, Range 5 East, Standish Township Arenac County,

AND:

All that part of the Northwest 1/4 of the Northwest 1/4 of Section 20 lying Easterly of a line running parallel with and 4 Rods distant Easterly from the Easterly line of the Detroit & Mackinac Railway Company Right of Way all in Section 20, Township 18 North, Range 5 East, Standish Township, Arenac County, Michigan.

Independent Title Services 800 Washington Ave. Bay City, Mi 48708

DOC #:317456

ADDL 4:1264003318

LOAN #:1244003316

COMPLETE LAND SERVICES

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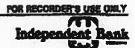
1/14

Page 1 of 10 SR 470/192 ROSE SMITH Repair County Rep of Deeds RS Date 10/11/2005 Timm 10:15:05

MORTGAGE

RECORDATION REGUESTED BY: Independent Bank Bay City Main 623 Washington Ave. Bay City, MI 48708

WHEN RECORDED MAIL TO: Independent Bank Consumer Lasna Find Doos 230 W Main St. Ionia, MI 48846



THE MAXIMUM PRINCIPAL AMOUNT OF THIS MORTGAGE EXCLUDING PROTECTIVE ADVANCES, 18 412 500.00.

THIS MORTGAGE dated August 26, 2005, is made and executed between Elizabeth A Schwab formerly known as Elizabeth A Kangas and Matthew James Schwab, wife and husband, whose address is 2357 Segator Road, ettendials, MI 46658 (referred to below as "Grantor") and Independent Bank, whose address is 623 Weekington Ave., Bay City, MI 48708 (referred to below as "Lander").

CRANT OF MORTGAGE. For valuable consideration, Greater mortgages and warrants to Lander all of Granter's right, title, and interest in and to the following described real property, together with all editing or subsequently exected or effixed buildings, improvements and fixtures; all essements, rights of way, and appurtenencest all rights to make divisions of the land that are exempt from the platting requirements of the Michigan Land Division Act, as it shall be amended; all water, water rights, watercourses and office rights (including stock in utilities with ditch or irrigation rights); and all other rights, royaltes, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") logated in Agence County, State of Michigan:

Land situated in the Township of Standish, County of Areneo, State of Michigan described as follows: The Northwest 1/4 of Section 20, Township 18 North, Range 5 East, Standish Township, Areneo, County, Michigan except right of way for Detreit & Macióneo Reliway Company and right of way to Eastern Michigan Power Company, Now Consumers Power Company.

And:

The North 1/2 of the Southeast 1/4 of the Northwest 1/4 of Section 20, Township 18 North, Range 5 liest, Standish Township Arenac County, Michigan.

And:

All that part of the Northwest 1/4 of the Northwest 1/4 of Section 20 Lying Easterly of a line running persite! with and 4 rods distant Easterly from the Easterly line of the Detroit & Mackinso Railway Company right of way all in Section 20, Township 18 North, Range 5 East, Standish Township, Arenet County Michigan.

The Real Property or its address is commonly known as 2367 Segatoo Read, Standish, MI 48658. The Real Property tax Identification number is 06-010-1-020-200-005-00

Granter grants to Lender a Uniform Commercial Code security interest in the Personal Property.

THIS MORTGAGE, INCLUDING THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDESTEDRESS AND (8) PERFORMANCE OF ANY AND ALL

COMPLETE LAND SERVICES 09/09/2011 13:52 FAX 989 799 1996 MORTGAGE (Continued) Leen No: 1281003784 Page 10 EACH GRANTOR COVERANTS AND AGREES TO THE PROVISIONS OF THIS MORTGAGE. 8 3 2 This Mortgage was prepared by: Angels Steakes, Consumer Servicing Rep Independent Bank 623 Washington Ave. Bay City, MI 48708 INDIVIDUAL ACKNOWLEDGMENT STATE OF 177 188 COUNTY OF On this day before me, the undereigned Notary Public, personally appeared Elizabeth A Schwab and Marthuw J Schwab, to me known to be the individuals described in and who executed the Mortgage, and seknowledged that they signed the Mortgage as their free and voluntary set and deed, for the uses and purposes therein mentioned.

THE RESIDENCE OF THE PERSON OF

Acting in the County of Bay

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COMPLETE LAND SERVICES

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13/14

Page 1 of 6 SR 586/827 RUSE SMITH FOR DECISION RED DECISION TIME 10:59:19

THIS IS A FUTURE ADVANCE MORTGAGE

This document was prepared by: THIMS NATIONAL SANK & TRUST CO., MARY K. BUDA 7254 MICHIGAN AVE., PO BOX 509 PIGEON, MI 46753-0560

MORTGAGOR:

MATTHEW J. SCHWAB AND ELIZABETH A. SCHWAB, NUSBAND AND WIFE 2357 SABAYOO RUAD STANDISH, MI 48658

If checked, refer to the attached Addendum incorporated beecin, for additional Morgagous, their signatures and acknowledgments.

LENDER:

THUMB NATIONAL BANK & TRUST CO. (3) ORGANIZED AND EXISTING UNDER THE LAWS OF THE UNITED STATES OF AMERICA 2003 E. WILDER ROAD, PD BOX 1038 BAY CITY, MI 48703

2. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to accure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys, acts, mortgagos and warrants to Lender, with the power of sale, the following described property:

THE MORTHEAST 114 OF THE MORTHWEST 114; EXCEPT 1 ACRE FOR THE DAM RARROAD RIGHT OF WAY AMD 1 ACRE FOR THE CONSUMERS POWER COMPANY RIGHT OF WAY; ALSO THAT PART OF THE MORTHWEST 1/4 LYING EAST OF CONSUMERS POWER COMPANY RIGHT OF WAY; ALSO THE MORTH 112 OF THE SOUTHEAST 1/4 CYTHE MORTHWEST 1/4, BEING IN AND A PART OF SECTION 20, T 1811, BSE, STANDISH TOWNSHIP, ARENAC COUNTY, MICHIGAN, #010-1-020-200-006-00

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The property is located in AREWA		nt 2357	AGATOD
res broker a manual minute.	(Canty)		
ROAD	STANDSH	Michigan	48650

Together with all cigins, essentants, appartenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, district, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. MAXIMUM OBLIGATION LIMIT. The maximum principal amount, excluding protective advances, secured by this Scarily Instrument at any one time shall not exceed \$.40.000.

This Healtsfore of amount does not include interest and other fees and charges validly made pursuent to this Security Instrument. Protective advances are defined by law and include an expenditure or expenditures such as advances made under the terms of this Security Instrument to protect Lender's priority and advances made to fulfill or purform as obligation of the Mortgagor made this Security Instrument, with respect to the mortgagod property, that the Mortgagor has falled to fulfill or perform.

RECOGNICA - MORTEAGE (MOT FOR RIMA, PALAC, PRIA CR VA LIES)
COURSE & 1884 Benium System, No., St. Cleat, MR. Pays (Spiritsbill) 2,222,304

Se = tough 1 of 61

SECRIVATURES: By signing below, Mortgagor agrees to the terms and coverages contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

| ACENOWLEDGMENT: STATE OF MORIBAN | Comp | County OF RAY | ACENOWLEDGMENT: by MATTHEN 1, SINNAE | County OF RAY | ACENOWLEDGMENT: by MATTHEN 1, SINNAE | County OF RAY | ALL | CLABURSCE | Notary Public, State of Michigan, County of ... Acen | County

tpage 6 of 6)

First American Title Insurance Company 1515 Commerce Ct. Midland, MI 48642

Schedule B – Section II EXCEPTIONS

Commitment No.: 554193

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

Defects, liens encumbrances adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the Proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

Part One: General Exceptions

Any policy we issue will have the following exceptions unless they are taken care of to our satisfaction:

- 1. Rights or daims of parties in possession not shown by the public records.
- 2. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey and inspection of the premises.
- 3. Easements, or claims of easements, not shown by the public records.
- 4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown on the public records.
- 5. Taxes or special assessments which are not shown as existing liens by the public records.

Part Two: Specific Exceptions

- Mortgage in the original amount of \$100,000.00 executed by Elizabeth A. Schwab, FKA Elizabeth A. Kangas and Matthew J. Schwab, wife and husband to Independent Mortgage Co. Central MI, dated August 4, 2005, recorded August 10, 2005, in Liber 465, page 537.
- Mortgage In the original amount of \$12,500.00 executed by Elizabeth A. Schwab formerly known as Elizabeth A. Kangas and Matthew J. Schwab, wife and husband to Independent Bank, dated August 26, 2005, recorded October 11, 2005, in Liber 470, page 192.
 - This Mortgage states that it secures an Equity Line/Revolving Line of Credit. If this loan is to be paid off in this transaction then proper steps should be taken to ensure that the company will be provided with a Full Satisfaction or Full Reconveyance for recording after payoff,
- 3. Future Advance Mortgage in the original amount of \$40,000.00 executed by Elizabeth Schwab and Matthew J. Schwab, wife and husband to Thumb National Bank & Trust Co. (3), dated February 14, 2008, recorded February 22, 2008, in Liber 526, page 227.
 - This Mortgage states that it secures an Equity Line/Revolving Line of Credit. If this loan is to be paid off in this transaction then proper steps should be taken to ensure that the company will be provided with a Full Satisfaction or Full Reconveyance for recording after payoff.
- 4. Right of Way in favor of Consumers Power Company and the Covenants, Conditions and Restrictions contained In instrument recorded in Liber 119, page 117.
- 5. Terms and Conditions contained in Amended and Restated Easement Agreement Between Consumers Energy Company and Michigan Electric Transmission Company as disclosed by instrument recorded in Liber 367, page 712.
- Any rights, title interest or claim thereof to that portion of the land taken, used or granted for streets, roads or highways.
- 7. Interest of others in oil, gas and mineral rights, if any, recorded in the public records or unrecorded.

8. Lien for outstanding water or sewer charges, if any.

EXHIBIT A LEGAL DESCRIPTION

File No.: 554193

The land referred to in this Commitment, situated in the County of Arenac, Township of Standish, State of Michigan, is described as follows:

The Northeast 1/4 of the Northwest 1/4 of Section 20, Township 18 North, Range 5 East, Standish Township, Arenac County, Michigan, except right of way for Detroit & Mackinac Railway Company and Right of Way to Eastern Michigan Power Company, Now Consumers Power Company.

And:

The North 1/2 of the Southeast 1/4 of the Northwest 1/4 of Section 20, Township 18 North, Range 5 East, Standish Township Arenac County, Michigan.

All that part of the Northwest 1/4 of the Northwest 1/4 of Section 20 lying Easterly of a line running parallel with and 4 rods distant Easterly from the Easterly line of the Detroit & Mackinac Railway Company Right of Way all in Section 20, Township 18 North, Range 5 East, Standish Township, Arenac County, Michigan.

Programme and the same absorbable

Commitment for Title Insurance FIRST AMERICAN TITLE INSURANCE COMPANY.

First American Title Insurance Company, a California corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named In Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.

All liability and obligation under this Commitment shall cease and terminate six (6) months after the effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.

First American Title Insurance Company

Dennis J. Gilmore

President

Timothy Kemp

Secretary

CONDITIONS:

The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.

- 2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim of other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fall to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
- 3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
- 4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
- The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at
 the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at
 http://www.alta.org/.

Issued by: First American Title Insurance Company

1515 Commerce Ct. Midland, Michigan 48642

Ph: (989)835-6781 or Fax to: (866)540-5612



Privacy Information

We Are Committed to Safeguarding Castemer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability
This Philacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Pair Information Values.

- Types of Information

 Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

 Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;

 Information we receive from a consumer reporting agency.

We request information from you for our own legitimate business purposes and not for the benefit of any noneffiliated party. Therefore, we will not release your information to noneffiliated partys except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has caused. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty listensing and trust and investment advisory companies. Involved in real estate services, such as appraised companies, procompanies, procompanies involved in real estate services, such as appraised companies, by companies and escrow companies and escrow companies and escrow companies involved all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies institutions with whom we or our affiliated companies have joint marketing agreements.

Former Castomers

Been if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Pair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Information Obtained Through Our Web Sibe
First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.

In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is or agregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information with us, we will only use it in accordance with the policies outlined above.

Business Relationships

Thist American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

Cooldes

Some of First American's Web sites may make use of "cookle" technology to measure site activity and to customize information to your personal tastes. A cookle is an element of data that a Web site can send to your browser, which may then store the cookle on your hard drive.

Histam.com uses stored cookles. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

Relaminate We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable belance between consumer benefits and consumer

privacy.

Public Record We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

Use We believe we should believe responsibly when use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

Accuracy We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information.

When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer

When, as with the procer record, we cannot contact an encurrant annotations.

Education We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

Security We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

Form 50-PRIVACY (8/1/09)

Page 1 of 1

Privacy Information (2001-2010 First American Financial Corporation)

Fax Server

09/09/2011 13:51 FAX 989 799 1996

COMPLETE LAND SERVICES

2004

BR 465/536 ROBE SHITH Arenac County Reg of Deeds

OUIT-CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS: That, BLIZABETH SCHWAB, formorly known as RIZABETH KANGAS, a merried woman, whose address is 2357 Segatoo Rd., Standish, MI 48658, Quin-Claims to ELIZABETH SCHWAB and MATTHEW J. SCHWAB, with and humand, whose address is 2357 Segatoo Rd., Standish, MI 48658, the following described promises situated in the Township of Standish, County of Arease and State of Michigan, to-wit: 2357 SAGATOO RD. STANDISH, MI 48658

Legal description provided by Granter:

THE NORTHEAST U4 OF THE NORTHWEST 1/4 OF SECTION 20, TOWNSHIP 18 NORTH, RANGE 5 BAST, STANDISH TOWNSHIP, ARENAC COUNTY, MICHIGAN, EXCEPT RIGHT OF WAY FOR DETROIT & MACKINAC RAILWAY COMPANY AND RIGHT OF WAY TO EASTERN MICHIGAN POWER COMPANY, NOW CONSUMERS POWER COMPANY.

AND:

THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 20, TOWNSHIP 18 NORTH, RANGE 5 BAST, STANDISH TOWNSHIP ARENAC COUNTY, MICHIGAN.

AND:

ALL THAT PART OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 20 LYING EASTERLY OF A LINE RUNNING PARALLEL WITH AND 4 RODS DESTANT BASTERLY FROM THE BASTERLY LINE OF THE DETROIT & MACKINAC RAILWAY COMPANY RIGHT OF WAY ALL IN SECTION 20, TOWNSHIP 18 North, range 5 east, standish township, arenac county, Michigan.

For the sum of one dollar (\$1.00) and no cents

This instrument is exempt from State transfer tax pursuant to MCL 207.526 (a) This instrument is exempt from County transfer tox pursuant to MCL 207.505 (a)

Subject to easements, covenants, conditions, restrictions of record.

Dated this 4th day of August, 2005.

Signed and Scaled in Presence of: Witness

ELIZABETH SCHWAB 9k/a ELIZABETH

KANGAS

State of Michigan County of Bay

The foregoing instrument was acknowledged before me this 4th day of August, 2005 by ELIZABETH SCHWAB, formerly known as ELIZABETH KANGAS, a married womap.

DRAFTED BY: Elizabeth Schwab 2357 Sagatoo Rd. Standish, MI 48658

ASSISTED BY: Independent Title Services, Inc. 800 Washington Avenue Bay City, MI 48708

ry K. Gleve Notary Public Bey County, Michigan Acting in Bay County, Michigan My Commission Expires: 04/19/2008

After Recording Return To: Granton 35105



February 14, 2012

VIA FEDERAL EXPRESS

Elizabeth Schwab and Matthew J. Schwab 2357 Sagatoo Road Standish, Michigan 48658-9757

Re: Exercise of Option pursuant to Easement Option Agreement dated September 22, 2011

Dear Mr. and Mrs. Schwab:

This letter is in reference to the Easement Option Agreement (the "Option Agreement") dated September 22, 2011, by and between you and Michigan Electric Transmission Company, LLC ("METC"), relative to the grant of an easement on your property located in Section 20, Township 18 North, Range 5 East, Standish Township, Arenac County, Michigan.

The purpose of this letter is to notify you that, in accordance with Section 2 of the Option Agreement, METC HEREBY EXERCISES ITS OPTION to obtain an easement upon the land more particularly described in the Survey attached to the enclosed Easement. In accordance with Section 5 of the Option Agreement, you are required to execute and deliver the enclosed Easement to METC within 5 business days from METC's exercise of the option. Accordingly, Paul Stempin, METC's agent, will contact you shortly to set up a time to deliver to you the agreed upon compensation amount and to pick up the executed Easement.

Please note that your signatures on the Easement will need to be notarized. As a convenience to you, the METC agent can notarize your signatures if you so desire. If you choose to have him notarize your signatures, you should wait to sign the Easement until he has met with you.

If you have any questions regarding this letter, please do not hesitate to contact Barbara Mention, METC Sr. Property Management Specialist at (248) 946-3000.

Sincerely.

Christine Mason Soneral

Vice President and General Counsel-

Utility Operations

Enclosures: Easement

EASEMENT OPTION AGREEMENT

THIS EASEMENT OPTION AGREEMENT ("Agreement") is made this 22 day of SCPTRAGE., 2011, by and between Elizabeth Schwab and Matthew Schwab whose address is 2357 Sagatoo Road, Standish, MI 48658-9757 ("Grantor") and Michigan Electric Transmission Company, LLC, a Michigan limited liability company, whose address is 27175 Energy Way, Novi, Michigan 48377 ("Grantee"). The Grantor and Grantee are at times collectively referred to hereinafter as the "Parties" or individually as the "Party".

RECITALS

- A. Grantor is the owner of that certain real property located in Section 20, Arenae Township, Arenac County, Michigan, as more particularly described on Exhibit A attached hereto (the "Property").
- B. Grantee desires to obtain an option for an easement over the Westerly 29 feet, more or less, (the "Easement Area") of the Property. The Easement Area shall be more particularly described in the Survey to be obtained by Purchaser pursuant to Section 4 of this Agreement;

NOW THEREFORE, in consideration of the sum of \$200,000 Dollars (\$700 (mail@as)) (the "Option Payment"), to be paid by Grantee to the Grantor, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

- 1. <u>Grant Of Option</u>. Grantor hereby grants to Grantee the right and option ("Option") to obtain an easement on, under, over and across the Easement Area. The Option Payment shall be made by Grantee to Grantor within thirty (30) days of the execution of this Agreement.
- Exercise Of Option. The Option may be exercised in writing at any time on or prior to twelve (12) months after the date of this Agreement ("Option Period"). If the Option has not been so exercised, it shall be automatically extended for one (1) additional Option Period of twelve (12) months, unless Grantee gives written notice to the Grantor of the intent not to extend the Option Period prior to the end of the initial Option Period. The Option Period may be further extended by mutual agreement in writing of the Parties. Grantee shall not be required to exercise the Option. Should Grantee fail to exercise this Option or any extension thereof within the Option Period, all rights and privileges granted hereunder shall be deemed completely surrendered, this Agreement terminated, and Grantor shall retain the Option Payment, and no additional money shall be payable by either Party to the other. Grantor hereby agrees that during the Option Period, Grantor shall not, without the prior written consent of Grantee (i) sell, transfer, assign, convey or dispose of any of its rights under this Agreement, or its rights or interests in the Property, or (ii) grant any lien or encumbrance on the Property, or (iii) grant any easement or right-of-way in, on or with respect to the Property, or (iv) grant any lease, license or other right to use or occupy the Property to any person.
- 3. <u>Purchaser's License</u>. As of the date of this Agreement, Grantor grants to Grantee, its agents and employees a non-exclusive license (the "License") to enter the Property to conduct such surveys, inspections and tests as Grantee deems necessary, including but not limited to soil borings, to determine whether or not it wishes to exercise the Option granted herein. Grantee agrees to indemnify, defend, and hold Grantor harmless from any and all loss, claim, action, demand and liability relating to or arising out of Grantee's, or its agents', employees', representatives' or contractors' entry upon the Property under

this paragraph which may arise against Grantor. If Grantee determines, in its sole and absolute discretion that the condition of the Property is not acceptable to Purchaser, then Purchaser may, at any time prior to expiration of the Option Period, terminate this Agreement by giving Seller written notice of termination, in which event neither party shall have any further liability hereunder.

- 4. <u>Survey</u>. Grantee shall, at Grantee's cost and expense, obtain a survey of the Easement Area prepared by a registered land surveyor ("Survey"). The Survey shall be in such form and content as is acceptable to Grantee in Grantee's sole discretion. The legal description from the Survey shall be the legal description used in the Easement described in Section 5 below and every other instrument or agreement referencing the Easement Area. The Survey shall set forth the exact size and location of the Easement Area.
- 5. <u>Execution of Easement</u>. Upon Grantee's exercise of the Option, Grantor shall, within five (5) days after Grantee's exercise of the Option, execute and deliver the Easement to Grantee in the form attached hereto as Exhibit B (the "Easement").
- 6. <u>Easement Consideration</u>. As consideration for the granting of the Easement, Grantee shall pay to Grantor the sum of \$ 1,500. dollars, which sum shall be paid simultaneously with the execution and delivery of the Easement (the "Easement Consideration").
 - 7. <u>Memorandum of Option</u>. Grantor agrees to execute a Memorandum of this Agreement which Grantee may record with the appropriate Recording Office in the County where the Property is located. The date set forth in the Memorandum is for recording purposes only and bears no reference to commencement of the term of the Option Period.
 - 8. <u>Notices</u>. Notice of the exercise of the Option shall be given by Grantee to the Grantor in writing by (1) certified mail, return receipt requested, or (2) by overnight courier, provided the courier's regular business is delivery service at the addresses set forth above. Notice shall be deemed effective on the date it is sent.
 - 9. <u>Mortgagee Consent</u>. In the event there is currently a mortgage on Grantor's Property which requires the Mortgagee's consent to the execution of the Easement, Grantor will obtain the mortgagee's consent to the execution and recording of the Easement in advance of execution. If Mortgagee consent is required, then the Easement Consideration shall not be payable to Grantor unless the Mortgagee consents to the execution of the Easement in writing.
 - 10. <u>Title</u>. Grantor represents and warrants to Grantee as of the execution date of this Agreement, and covenants during the Option Period that Grantor is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement and the Easement..
 - 11. <u>Integration</u>. It is agreed and understood that this Agreement contains all agreements, promises and understandings between Grantor and Grantee and that no verbal or oral agreements, promises or understandings shall be binding upon either Grantor or Grantee in any dispute, controversy or proceeding at law, and any addition, variation or modification to this Agreement shall be void and ineffective unless made in writing signed by the Parties. In the event any provision of the Agreement is found to be invalid or unenforceable, such finding shall not affect the validity and enforceability of the remaining provisions of this Agreement. The failure of either Party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights under the Agreement shall not waive such rights and such Party shall have the right to enforce such rights at any time and take such action as may be lawful and authorized under this Agreement, in law or in equity.

- 12. Governing Law. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the laws of the State of Michigan.
- 13. <u>Successors And Assigns</u>. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.
- 14. <u>Captions</u>. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

FIRST ADOVE WRITTEN.

THIS OPTION CANCELS AND SUPPLICATIONS OPTION DATED 8-23-1

GRANTOR: BY GROWTORS, FXCEPT THE 200.00 OPT. CONSIDERATION WILL

BE APPLIED TO THE OPTION FRAGIN DATE.

ALSO: BXISTING HOME SHALL BE

FXEMPT FROM THE NO BUILDING AREA IN REMT.

ALSO: FENCES SITAN BE ALLEWED

WITHIN THE PRASEMENT AREA.

FINE BY DAMAGED BY GRANTER,

SEE ATTROHED SCHEDULE BY.

GRANTEE:

MICHIGAN/ELECTRIC TRANSMISSION COMPANY, LLC, a Michigan limited liability company

By: Michigan Transco Holdings, L.P., sole member

By: METC GP Holdings II, LLC, General Partner

By: METC GP Holdings, Inc., sole member and sole manager

By: ITC Holdings Corp., its sole owner

By: _______ Name: Christine Mason Soneral

Title: Vice President and General Counsel- Utility Operations

EXHIBIT B

FORM OF EASEMENT

EASEMENT

On _	wledged, Grantor of	conveys and warrants	s to Grantee, its suc	ideration, the receipt of which i
herein describ	ement over, under, bed.	across and through a	part of Grantor's	Land called the Easement Area, a
Grantor is:				
Grantee is:	Michigan Electr of 27175 Energy	ic Transmission Con Way, Novi, Michig	npany, LLC, a Michan 48377.	higan limited liability company,
Grantor's La	and is in Section, County of	, Townshipand State	, Range of Michigan, and i	Township of s described as:
	[INSERT LEGA	L DESCRIPTION]		
The Easemen	nt Area is within G	rantor's Land, and is	described as:	

- [INSERT LEGAL DESCRIPTION]
- 1. Purpose: The purpose of this Easement is to allow Grantee the right to enter at any time upon the Easement Area to (1) construct, operate, maintain, repair, inspect, replace, improve, enlarge or remove overhead electric lines consisting of poles, towers, structures, wires, cables (including fiber optic cable) and other equipment for transmitting electrical energy and communications signals, (2) cross the Easement Area to construct, operate, maintain, repair, inspect, replace, improve, enlarge or remove overhead electric equipment located on other land, and (3) temporarily improve the surface of the Easement Area, as reasonably necessary, in Grantee's discretion, to place and operate Grantee's construction vehicles and equipment; provided Grantee shall remove such temporary surface improvements, and repair pavement and reseed lawn areas it disturbs.
- 2. Buildings or other Permanent Structures: No buildings, fences or other above-ground structures shall be installed, constructed or permitted in the Easement Area. Grantee may remove prohibited structures from the Easement Area without prior notice and without responsibility for any damage that occurs as a result of such removal.
- 3. Vegetation Management: Grantee shall have the right at any time to cut, trim remove, destroy or otherwise control any or all trees, bushes, or brush now or hereafter standing or growing within the Easement Area. The complete exercise of this right may be gradual and not fully completed for some time in the future.
- 4. Access: Grantor also grants to Grantee the right of access, ingress and egress to the Easement Area on, over and across lands now owned by the Grantor.
- 5. Limited Use; Nonuse: Nonuse or limited use of the rights herein granted shall not prevent later use to

the full extent herein conveyed.

- 6. Successors: This easement runs with the land and binds and benefits Grantor's and Grantee's successors and assigns.
- 7. Crop Damage: Grantee shall pay for actual damage to crops located within the Easement Area, arising out of Grantee's maintenance of the transmission line within the Easement Area.

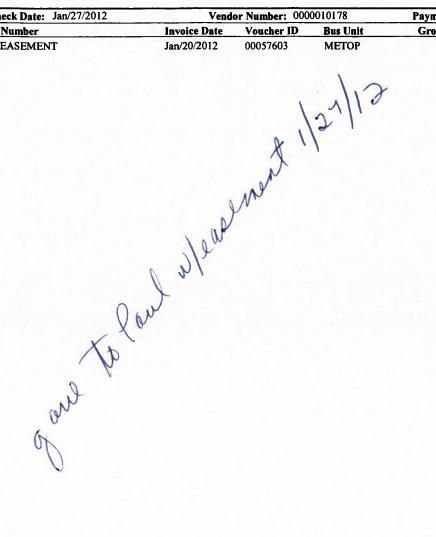
This easement is exempt from real estate transfer tax pursuant to MCLA 207.505(f) and from State real estate transfer tax pursuant to the provisions of MCLA 207.526(f).

[Signatures on Following pages]

INTERNATIONAL TRANSMISSION COMPANY CALCULATION OF ESTIMATED COMPENSATION

Project:	Almeda-Twining Transmission Line Rebuild	
Parcel No.:	010-1-020-200-005-00	
Owner:	Elizabeth Schwab and Matthew J. Schwab, wife	and husband
Address:	2357 Sagatoo Road, Standish, MI 48658	
Telephone No.:		
Permanent Ease	ment Area (Less Existing Easement Area, if any):	
0.63 Acr (1440' x 19')	e X <u>\$2,000</u> per Acre X 50% =	\$ 630.00
Additional Cons	siderations:	
		\$
		\$
	Total Compensation Due:	\$ 630.00
	nderstand the compensation for the International are easement on my property.	Fransmission Company
	Owners	
Date:		

Check Date: Jan/27/2012	Vende	or Number: 000	0010178	Payment Method	CHK	Check No. 00	00019982
Invoice Number	Invoice Date	Voucher ID	Bus Unit	Gross Amount	Discounts	Late Charges	Pald Amount
012012 EASEMENT	Jan/20/2012	00057603	МЕТОР	1,500.00	0.00	0.00	1,500.00



For questions please call 248-946-3000 or e-mail ap@itctransco.com

Check Number	Date	Total Gross Amount	Total Discounts	Total Late Charges	Tota Paid Amoun
0000019982	January/27/2012	1,500.00	0.00	0.00	1,500.00

METC 27175 Energy Way Novi, MI 48377

COMERICA BANK

0000019982

Detroit, MI

9-9/720

Date

January/27/2012

\$1,500.00***

Pay

****ONE THOUSAND FIVE HUNDRED AND XX / 100 DOLLAR****

To The Order Of SCHWAB, MATTHEW & ELIZABETH

2357 SAGATOO ROAD STANDISH, MI 48658-9757 Authorized Signatu

Check Date: Sep/16/2011	Vend	or Number: 000	0010178	Payment Method	CHK	Check No.	0000018791
Invoice Number	Invoice Date	Voucher ID	Bus Unit	Gross Amount	Discounts	Late Charges	Paid Amount
090611 EASEMENTS	Sep/06/2011	00052863	METOP	200.00	.00	.00	200.00



For questions please call 248-946-3000 or e-mail ap@itctransco.com

Check Number	Date	Total Gross Amount	Total Discounts	Total Late Charges	Total Pald Amount
0000018791	September/16/2011	200.00	.00	.00	200.00

MITC

METC 27175 Energy Way Novi, MI 48377

COMERICA BANK

0000018791

Detroit, MI

9-9/720

Date September/16/2011

\$200.00***

Pay

****TWO HUNDRED AND XX / 100 DOLLAR****

To The Order Of **SCHWAB, MATTHEW & ELIZABETH**

2357 SAGATOO ROAD STANDISH, MI 48658-9757 Authorized Signature