

Schedule A

ALTA COMMITMENT

1. Commitment Date: September 29, 2023 at 7:00 AM
2. Policy to be issued: **TO BE DETERMINED**
 - (a) 2006 ALTA Owner's Policy
Proposed Insured:
Proposed Policy Amount:
 - (b) ALTA Loan Policy
Proposed Insured:
Proposed Policy Amount:
 - (c) ALTA Policy
Proposed Insured:
Proposed Policy Amount:
3. The estate or interest in the Land described or referred to in this Commitment is:
Fee Simple
4. Title to the estate or interest in the Land is at the Commitment Date vested in:
Ronald J. Penney, Mary Ann Brandmeyer and Jeffrey S. Penney Trust, as tenants in common, to each an undivided one-third (1/3) interest
5. The Land is described as follows:
The Northeast Quarter (NE $\frac{1}{4}$), except Railroad Right of Way, of Section Thirty-Six (36), Township One Hundred Eleven (111) North, Range Fifty-Six (56) West of the 5th P.M., in Kingsbury County, South Dakota.
Parcel DOE# 3287

This page is only a part of a 2016 ALTA Commitment for Title Insurance. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; and Schedule B, Part II - Exceptions.

Schedule B-I

ALTA COMMITMENT

Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.

FURTHER REQUIREMENTS TO BE DETERMINED

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Schedule B-II

ALTA COMMITMENT

Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.
2. Coverage of this Commitment extends only to filings in the records of the Register of Deeds, Treasurer and Clerk of Court of Kingsbury County, South Dakota. Search was not made of filings in the central office of the Secretary of State of South Dakota. Any filings in the central office of the Secretary of State of South Dakota are not covered by this Commitment.
3. Rights or claims of parties in possession not shown by the public records.
4. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water; any right, title or interest in any minerals, mineral rights, or related matters.
5. 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.
6. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
7. No title examination was made regarding and no coverage is afforded hereunder for the minerals or the mineral estate underlying, associated with, or severed from the land described in Schedule A, if any, including rights and easements granted or reserved along therewith or arising by operation of law.
8. The real estate described in this Commitment/Policy shall not be deemed to include and no search has been made in regard to any house trailer, mobile home or manufactured home standing on the premises. Subsequently, we are not liable for and shall be held harmless against any liens, judgments and/or taxes, current or delinquent, that would apply to the same.
9. Easements, claim of easements or encumbrances, including unrecorded underground easements, if any, which are not shown by the public record.
10. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
11. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
12. Any service, installation or connection charge for sewer, water or electricity.
13. Subject to unrecorded leases, if any.
14. Real Estate Taxes, (and Special Assessments, if any), for year 2023 and subsequent years which constitute a lien but are not due and payable.
15. Section-line highways by operation of law, SDCL 31-18 and/or any road by SDCL 31-3.
16. Subject to any setback lines and utility easements that may exist.
17. If a portion of the property contains wetlands which may be subject to federal, state or local regulations, the right to use or improve these wetlands is excepted herein.

(continued on next page)

SCHEDULE B-II

18. Duties and obligations of Vested Drainage Right Registration Form filed June 30, 1992 at 3:15 PM and recorded in Book 35 of Misc., on page 707, which shows NE¼ of 36-111-56 as land from which water is drained
19. Terms and conditions of Right of Way Easement granted to Kingbrook Rural Water System, Inc., filed February 25, 1999 at 8 AM and recorded in Book 39 of Misc., on page 209, which covers NE¼ of 36-111-56.
20. Terms and conditions of State Patents recorded In Book 33 of Deeds, on pages 324 and 325 that reserve unto the State of South Dakota, "right-of-way for irrigation ditches, canals, etc., as provided by SDC 61.0147, and subject to reservations and rights relating to deposits of coal, ores, metals, and other minerals, asphaltum, oil, gas and other like substances as provided by SDC 15.0501 and SDC 55.0203 and in any law of the State of South Dakota reserving any rights of any kind in said State or any of its departments, institutions, subdivisions, funds or accounts."
21. 2022 Real Estate Taxes due and payable in 2023 in the amount \$2731.66 are paid in full. Parcel DOE# 3287

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KINGSBURY COUNTY
 PO BOX 166
 DE SMET SOUTH DAKOTA 57231
 (605) 854-3411

10/02/2023

Parcel Information for Bill #: 2023- 1 -5321

Record #: 3287

TAXPAYER: AUDREY F PENNEY LIFE ESTATE & ETALS
 209 4TH ST SW
 DE SMET SD 57231

Prop Addr: STR 36-111-56

Title:

Legal: DE SMET TOWNSHIP
 NE EXC R OF W 36-111-56

36 - 111 - 56 0 - 0

School: 38-2

Acres / Lots: 147.88

| | Tax Amt. | Int Due | Adv/Cert | TOTAL DUE | Date Pd | Treas# |
|----------------|-----------------|---------|----------|--|------------|--------|
| 1st Half: | 1,365.83 | .00 | .00 | .00 | 04/21/2023 | 3959 |
| 2nd Half: | 1,365.83 | .00 | | .00 | 04/21/2023 | 3959 |
| Totals: | 2,731.66 | | | .00 | | |
| | | | | ***** Interest ***** Thru: 10/02/2023 | | |

| Total | AG | NA-Z | OO | M-OO | NA | M |
|------------|---------|------|-----|------|-----|-----|
| Valuation: | 343779 | 0 | 0 | 0 | 0 | 0 |
| Total Tax: | 2731.66 | .00 | .00 | .00 | .00 | .00 |

1st half paid by: AUDREY PENNEY ESTATE BY RONALD PENNEY - IN OFFICE
 2nd half paid by: AUDREY PENNEY ESTATE BY RONALD PENNEY - IN OFFICE

Dated: 10-12-2016.

Audrey F. Penney
Audrey F. Penney

Subscribed and sworn to before me on 10-12-2016.



Michelle Orton
Notary Public, South Dakota
My Commission Expires: 5-22-18

This instrument Prepared by
Wilkinson & Schumacher Law Prof. LLC
103 Joliet Ave., P.O. Box 29
De Smet, South Dakota 57231-0029
Tele. (605) 854-3378



CFEE \$30.00
RECORDED
INDEXED
COMP.



STATE OF SOUTH DAKOTA }
Kingsbury County } SS

Filed for Record on 7/21/2023 at 1:50 PM
and Recorded in Book 56 of Misc
on Page 502. Document # 49569

Recording Fee: \$30.00 Page:1 of 3
Transfer Fee:\$0.00

By Caryn J. Hojer Register of Deeds
Brian C. Tande Deputy

STATE OF SOUTH DAKOTA)
: SS
COUNTY OF KINGSBURY)

AFFIDAVIT

Ronald J. Penney, a married person, of 209 4th Street Southwest, De Smet, South Dakota 57231, being first duly sworn upon his oath, deposes and says:

That my late mother, Audrey F. Penney, was the grantee in the following described Warranty Deeds made, executed, acknowledged and delivered so as to be placed of record, and was so placed of record, to-wit:

Warranty Deed, executed by James Penney and Audrey Penney, husband and wife, Grantors, of 43526 Hwy 14, De Smet, SD 57231, to Ronald J. Penney, of 209 4th St. SW, De Smet, SD 57231, Jeffrey S. Penney, of 4503 Rawhide Dr. Torrington, Wyoming 82240 and Mary Ann Penney, of 7121 Woodland Road, Germantown, IL 62245, Grantees, as tenants in common, which deed was dated the 25th day of July 2014, and filed for record on the 25th day of July 2014 and recorded in Book 114 on page 153, in the office of the Register of Deeds, Kingsbury County, South Dakota and

Warranty Deed, executed by James Penney and Audrey Penney, of 43526 Hwy 14, De Smet, SD 57231, Grantors to Ronald J. Penney, of 209 4th St. SW, De Smet, SD 57231, Jeffrey S. Penney, of 4503 Rawhide Dr. Torrington, Wyoming 82240 and Mary Ann Brandmeyer, of 7121 Woodland Road, Germantown, IL 62245, Grantees, as tenants in common, which deed was dated the 7th day of December 2015, and filed for record on the 7th day of March 2016 and recorded in Book 115 on page 380, in the office of the Register of Deeds, Kingsbury County, South Dakota

That said Audrey F. Penney, died on the 3rd day of January 2023, as shown by the certified copy of Certificate of Death hereto attached marked Exhibit "A", and by reference thereto made a part hereof.

That there is no Inheritance Tax or State Estate Tax due the State of South Dakota.

That a description of real estate affected by the death of Audrey F. Penney is as follows:

The Northeast Quarter (NE ¼) of Section Thirty Six (36), Township One Hundred Eleven (111) North, Range Fifty Six (56), West of the 5th P.M.;

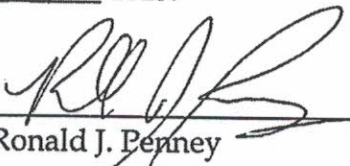
The Southeast Quarter (SE ¼) of Section Fifteen (15), Township One Hundred Eleven (111), Range Fifty Five (55), West of the 5th P.M.; and

Parcel 1, in the North One Half (N ½) of the Southwest Quarter (SW ¼), Except Lot H2, and except Penney Outlot 1, Section Thirty-Six (36), Township One Hundred Eleven (111), Range Fifty Six (56), West of the 5th P.M.

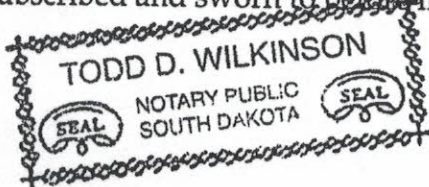
All in Kingsbury County, South Dakota, subject to easements and reservations of record.


That upon the death of Audrey F. Penney, and pursuant to the terms and conditions of said Deed, the interest of said Audrey F. Penney, in and to the above-described property terminated and ceased to exist and her interest vested solely in the remainderman, Ronald J. Penney, of 209 4th Street Southwest, De Smet, SD 57231, Jeffrey S. Penney, a married person, 4503 Rawhide Drive, Torrington, WY 82240 and Mary Ann Penney aka Mary Ann Brandmeyer, a married person, of 7121 Woodland Road, Germantown, IL 62245.

Dated this 14 day of JULY 2023.


Ronald J. Penney

Subscribed and sworn to before me on this 14th day of July 2023.




Notary Public, South Dakota
My Commission Expires: 5-15-2024

APPENDIX B
VESTED DRAINAGE RIGHT
REGISTRATION FORM

1. Claimant of Vested Drainage Right:

Name Penney James
(Last) (First) (Middle-Initial)

Address Rt 2 Box 172 C
City DeSmet State SD Zip Code 57231
Political Subdivision or Company Name (if applicable)

Co-Owner or Other Interest Owner:

Name _____
Address _____
City _____ State _____ Zip Code _____

2. A. State the legal description of the land from which the water is drained (dominant estate):
1/4 of the NE 1/4 of Sec. 36, Twp. 111, Rg. 56, in the County of Kingsbury

B. State the legal description of the land onto which the water is drained (servient estate):
1/4 of the 1/4 of Sec. _____, Twp. _____, Rg. _____, in the County of _____

C. State the legal description of the land for which the drainage right is claimed, if different than A, above (pre-
scriptive right):
1/4 of the 1/4 of Sec. _____, Twp. _____, Rg. _____, in the County of _____

3. The man made modifications consist of ditch (i.e. drain tile, ditch, levee, dike, etc.).
Generally describe the modifications in terms of length, depth, width, etc. (i.e. a ditch 3 ft. deep and 80 ft. long):
See Map -

4. The claimed drainage right has existed since:

A. _____ / _____ / _____; OR
Month Day Year
B. Unknown

5. State the general course and direction of the flow of water by means of the drainage right:
Ditch drains into Rail Road Right-of-way -

6. State the general course and direction of the natural flow:

A. _____ Same as paragraph 5; or
B. _____

7. State any facts you believe relevant to the vested drainage rights:

Dated this 30 day of June, 1992.

James Penney

Title of Officer

STATE OF SOUTH DAKOTA)
COUNTY OF Kingsbury) SS

On this 30th day of June, 1992, before me, Linda Poppen,
the undersigned officer, personally appeared James Penney, known to me or satisfactorily
proven to be the person whose name James Penney subscribed to the within instrument
and acknowledged that he executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

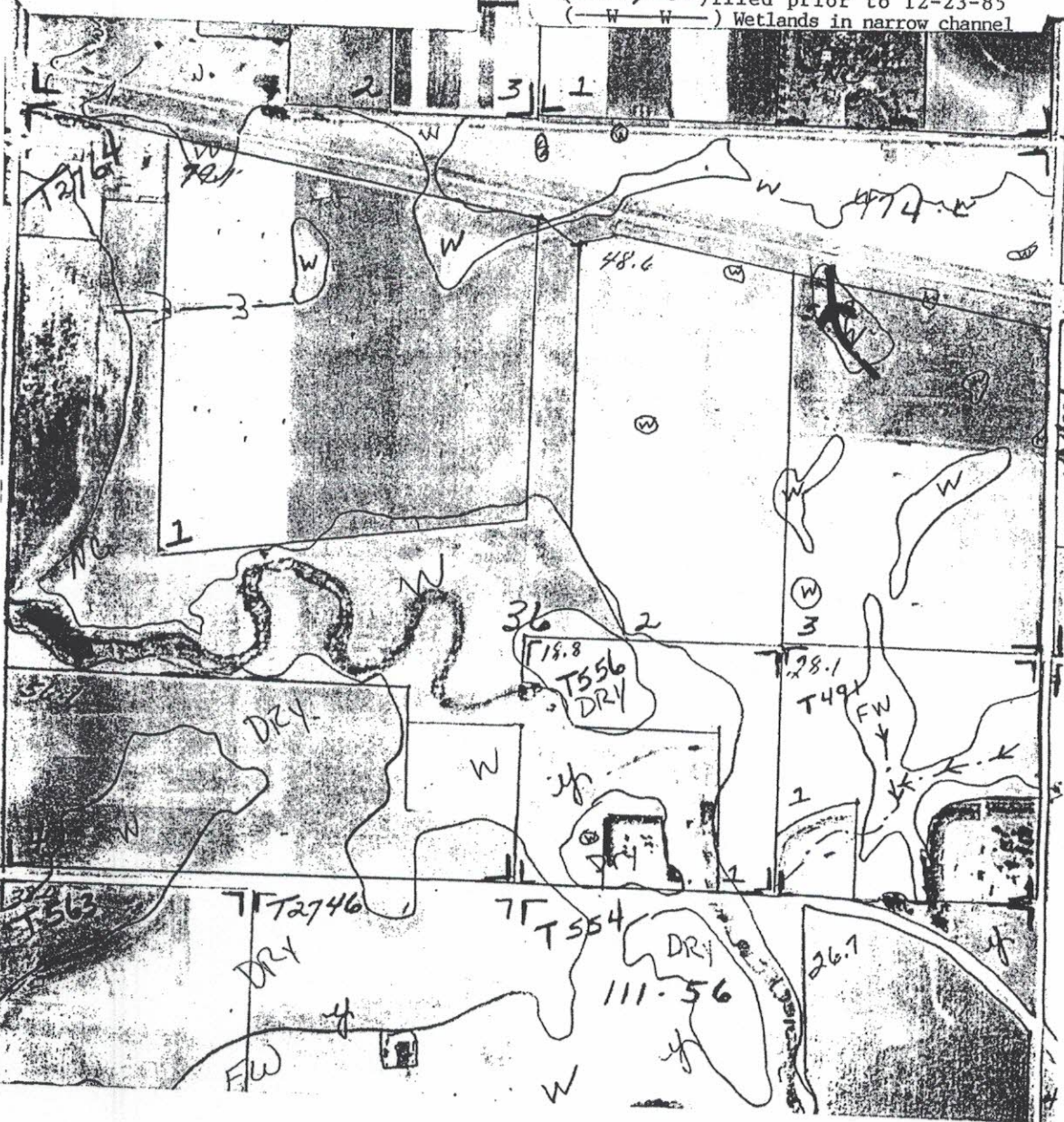
Linda Poppen, Clerk
Clerk of Courts
Title of Officer

My commission expires _____

SYMBOL KEY

OFFICIAL WETLAND DETERMINATION FOR HIGHLIGHTED TRACTS ONLY

- (W) Wetland
- (FW) Ditched or tiled prior to 12-23-85 but still wetland
- (PC) Converted Wetland prior to 12-23-85
- (CW) Converted Wetland after 12-23-85
- (---) Ditched prior to 12-23-85
- (--->---) Tiled prior to 12-23-85
- (---W---) Wetlands in narrow channel



08150

STATE OF SOUTH DAKOTA } ss
Kingsbury County

Filed for record the 30 day of
June A.D., 1992 at 3 o'clock
and 15 minutes P.M., and recorded
in Book 35 of Maps
on page 707

Deanne Williams
Register of Deeds

By _____
Deputy

FEE \$ 5.06
RECORDED
INDEXED
GRANTOR
GRANTEE

RIGHT-OF-WAY EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That in consideration of One (\$1.00) Dollar and other good and valuable consideration paid to JAMES Penney and Audrey Penney hereinafter referred to as GRANTOR, by KINGBROOK RURAL WATER SYSTEM, INC., hereinafter referred to as GRANTEE, the receipt of which is hereby acknowledged, the GRANTOR does hereby grant, bargain, sell, transfer and convey unto the GRANTEE, its successor and assigns, a perpetual easement with the right to install and lay, and thereafter use, operate, inspect, repair, remove, maintain, the water pipes, connections, valves, and all other devices used in connection with the operation of a rural water system, over, under, across and through the land of the GRANTOR, situated in Kingbury County, State of South Dakota, said land being described as follows:

NE 4 36-111-56

together with the right of ingress and egress over the adjacent lands of the GRANTOR, his successors and assigns for the purposes of this easement.

The easement shall be thirty (30) feet in width, the center line of which is described as follows: Fifteen (15) feet on either side of the center line of the pipeline as constructed, and insofar as possible the center line shall be Fifteen (15) feet inside of the fence line which fence line is the boundary of the property of the GRANTORS.

The consideration herein above recited shall constitute payment in full for any damages to the land of the GRANTOR, his successors and assigns, by reason of the installation, operation, and maintenance of the structures or improvements referred to herein. The GRANTEE covenants to maintain the easement in good repair so that no unreasonable damage will result from its use to the adjacent land of the GRANTOR, his successors and assigns.

GRANTEES agree that they will, following any excavation for pipeline, return the premises to their former condition as is reasonably possible at no expense to GRANTORS.

The grant and other provisions of this agreement shall constitute a covenant running with the land for the benefit of the GRANTEE, its successors and assigns.

IN WITNESS WHEREOF, the GRANTORS have executed this instrument this 5 day of Oct 19 98

James Penney (SEAL)
Audrey Penney (SEAL)

STATE OF SOUTH DAKOTA
County of Sengsbury

On this 5 day of Oct 19 98 before me, Linda L. Brunke the undersigned officer, personally appeared James Penney known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he executes the same for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal. Linda L. Brunke Notary Public, State of South Dakota

Form Prepared By: Denholm, Glover Law Firm

My Commission Expires: 8-1-99



STATE OF SOUTH DAKOTA

County of Kingsbury)
) ss

On this the 6th day of October, 19 98 before me, Betty J. [Signature]
the undersigned officer, personally appeared Audrey Perry [Signature] known to me or
satisfactorily proven to be the person whose name subscribed to the within instrument and acknowledged that he
executes the same for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Betty J. [Signature]
Notary Public, State of South Dakota

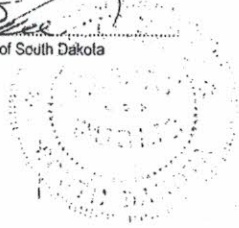
Form Prepared By:
Denholm, Glover Law Firm

116440 My Commission Expires: 4/15/2004



STATE OF SOUTH DAKOTA, COUNTY OF KINGSBURY
Filed for record the 25 day of Feb. 19 99 at 8 o'clock
A. M. in Book 39 of Misc. on page 209
Carin [Signature] By [Signature]
Register of Deeds Deputy

FEE \$ 12.00
RECORDED
INDEXED
GRANTOR
GRANTEE
COMP.



DEED RECORD.

WILL A. BEACH, PRINTER AND BINDER, SIOUX FALLS, S. D.—FORM 1.

7460

STATE OF SOUTH DAKOTA,

To all to Whom these Presents Shall Come, Greeting:

WHEREAS, On the 20th day of November, 1943, all that tract or parcel of Common School land of the State of South Dakota, hereinafter mentioned and particularly described, was sold in the manner prescribed by law to M. Penney, of the County of Erwin and State of South Dakota, for the aggregate price of Sixteen Hundred Ninety Seven and 70/100 Dollars, and

reserving however, to the State of South Dakota right-of-way for irrigation ditches, canals, etc., as provided by SDC 61.0147, and subject to reservations and rights relating to deposits of coal, ores, metals, and other minerals, asphaltum, oil, gas and other like substances as provided by SDC 15.0501 and SDC 55.0203 and in any law of the State of South Dakota reserving any rights of any kind in said State or any of its departments, institutions, subdivisions, funds or accounts.

WHEREAS, The said sum of Sixteen Hundred Ninety Seven and 70/100 DOLLARS has been fully paid to the proper receiving officer for the State of South Dakota, as shown by the records in the office of the Commissioner of School and Public Lands, the said sum being the whole amount of the purchase price for the said tract or parcel of land,

NOW, KNOW YE, That the said State of South Dakota, in pursuance of law in such case made and provided, and in consideration of the premises aforesaid, and of the aforesaid sum of Sixteen Hundred Ninety Seven and 70/100 DOLLARS to the said State of South Dakota paid, doth by these presents GRANT, BARGAIN, SELL, CONVEY AND CONFIRM, in fee, unto the said

M. Penney, Original Purchaser his heirs and assigns, the said tract or parcel of land situated in the County of Kingsbury and State of South Dakota, and described as follows, to-wit:

The North half of the Northeast quarter of the Fifth Principal Meridian, right of way, quarter of Section Number Thirty Six (36), in Township Number One Hundred Eleven (111), North, and of Range Number Fifty Six (56), West of Fifth Principal Meridian, containing Sixty Seven and 88/100 acres, more or less, according to the United States government survey, and as appears from the plats and records of said lands now on file in the office of the Commissioner of School and Public Lands*

TO HAVE AND TO HOLD The same, together with all the appurtenances thereunto belonging unto the said M. Penney his heirs and assigns, in fee simple, forever.

IN WITNESS WHEREOF, I, the Governor of the State of South Dakota, have hereunto signed my name and caused the seal of the Commissioner of School and Public Lands to be hereunto affixed, this 25th day of February A. D. 1944 under his seal & office



By the Governor, State of South Dakota
M. J. Sharpe
 Governor

Attest:
John A. Lunden
 Commissioner of School and Public Lands.

Contract No. 564 Patent No. 11,645 Recorded Book No. 21, Page 231
 Office of Commissioner of School and Public Lands.

Filed for record the 3rd day of March A. D. 1944 at 1:30 o'clock P.M., and recorded in Book 33 of Deed Record, on page 324

By _____ Deputy. J. M. Mueniger Register of Deeds.

7461

STATE OF SOUTH DAKOTA,

To all to Whom these Presents Shall Come, Greeting:

WHEREAS, On the 20th day of November, 1943, all that tract or parcel of Common School land of the State of South Dakota, hereinafter mentioned and particularly described, was sold in the manner prescribed by law to Thomas Penney, of the County of De Smet and State of South Dakota, for the aggregate price of Five thousand and no/100 Dollars, and

reserving however, to the State of South Dakota right-of-way for irrigation ditches, canals, etc., as provided by SD 61.0147, and subject to reservations and rights relating to deposits of coal, ores, metals, and other minerals, asphaltum, oil, gas and other like substances as provided by SD 15.0501 and SD 55.0203 and in any law of the State of South Dakota reserving any rights of any kind in said State or any of its departments, institutions, subdivisions, funds or accounts.

WHEREAS, The said sum of Five thousand and no/100 DOLLARS has been fully paid to the proper receiving officer for the State of South Dakota, as shown by the records in the office of the Commissioner of School and Public Lands, the said sum being the whole amount of the purchase price for the said tract or parcel of land,

NOW, KNOW YE, That the said State of South Dakota, in pursuance of law in such case made and provided, and in consideration of the premises aforesaid, and of the aforesaid sum of Five thousand and no/100 DOLLARS to the said State of South Dakota paid, doth by these presents GRANT, BARGAIN, SELL, CONVEY AND CONFIRM, in fee, unto the said Thomas Penney, Original Purchaser, his heirs and assigns, the said tract or parcel of land situated in the County of Minnehaha and State of South Dakota, and described as follows, to-wit:

The South half of the Northeast quarter of the Quarter of Section Number Thirty-six (36), in Township Number One Hundred Eleven (111), North, and of Range Number Fifty-six (56), West of Fifth Principal Meridian, containing Eighty and no/100 acres, more or less, according to the United States government survey, and as appears from the plats and records of said lands now on file in the office of the Commissioner of School and Public Lands.*

TO HAVE AND TO HOLD The same, together with all the appurtenances thereunto belonging unto the said Thomas Penney his heirs and assigns, in fee simple, forever.

IN WITNESS WHEREOF, I, the Governor of the State of South Dakota, has caused this Patent to be executed in the Name of the State by the Governor and attested by School and Public Lands to be hereunto affixed, this day of A. D. 1904 under his Seal of Office



By the Governor: State of South Dakota By M. L. Sharpe Governor Attest: John A. Lunder Commissioner of School and Public Lands.

Contract No. 565 Patent No. 11,646 Recorded Book No. 21, Page 232 Office of Commissioner of School and Public Lands.

Filed for record the 31 day of March A. D. 1944 at 2:40 o'clock P.M., and recorded in Book 33 of Deed Record, on page 325

By Deputy Register of Deeds.