

Commonwealth Land Title Insurance Company

Commitment Number: 93584

**SCHEDULE A**

1. Commitment Date: July 29, 2009 at 08:00 AM
2. Policy (or Policies) to be issued: Amount
  - (a) Owner's Policy ( ALTA Own. Policy (06/17/06) )  
Proposed Insured:  
TO BE DETERMINED (IN AMOUNT TO BE DETERMINED)
  - (b) Loan Policy ( ALTA Loan Policy (06/17/06) )  
Proposed Insured:
3. Fee Simple interest in the land described in this Commitment is owned, at the Commitment Date, by Regal Real Estate Company.
4. The land referred to in the Commitment is described as follows:  
SEE EXHIBIT A ATTACHED HERETO

**Tennessee Valley Title Insurance Co.**

By: Tracey M. Axtell  
Tracey M. Axtell

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**SCHEDULE B - SECTION I  
REQUIREMENTS**

The following requirements must be met:

1. Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.
2. Payment of all premiums and charges for policies, endorsement and services.
3. Furnish a properly executed Owner's Affidavit on attached form.
4. Furnish an accurate, current survey and surveyor's inspection report on attached form.
5. Payment of 2008 Blount County taxes as follows:  
  
TRACT ONE: (Lot 9)  
CLT #106CG-034  
2008 Blount County - Past due and delinquent in amount of \$222.34 (August rate).  
  
TRACT TWO: (Lot 16)  
CLT #106CA-007  
2008 Blount County - Past due and delinquent in amount of \$207.11 (August rate).  
  
TRACT THREE: (Lot 18R)  
CLT #106CA-001  
2008 Blount County - Past due and delinquent in amount of \$553.30 (August rate).  
  
TRACT FOUR: (Lot 27)  
CLT #106BA-020  
2008 Blount County - Past due and delinquent in amount of \$236.55 (August rate).
6. Satisfaction and release of record the following claims against the estate of Harold D. King:
  - a. Claim filed in favor of Branch Banking and Trust Company, in the amount of \$32,789.62.
  - b. Claim filed in favor of GreenBank, in the amount of \$100,000.00.
  - c. Claim filed in favor of GreenBank, in the amount of \$4,126,347.03.
7. Obtain a TennCare release for the estate of Harold G. King.
8. Obtain a non-taxable certificate for the estate of Harold G. King.
9. Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to-wit:
  - a. Properly executed and acknowledged Deed from Regal Real Estate Company, vesting fee simple title in purchaser to be determined.

**SCHEDULE B - SECTION I  
REQUIREMENTS  
(Continued)**

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NOTE: We must be furnished certified copy of corporate resolutions authorizing the sale and execution and delivery of this deed.

NOTE: We must be furnished a current certificate of good standing from the Secretary of State of Tennessee.

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**SCHEDULE B - SECTION II  
EXCEPTIONS**

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

1. 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.
2. The dower, curtesy, homestead, community property, or other statutory marital rights, if any, of the spouse of any individual insured.
3. Rights or claims of parties in possession not shown by the public records.
4. Easements, or claims of easements, not shown by the public records.
5. Any discrepancies, conflicts, encroachments, servitudes, shortages in area and boundaries or other facts which a correct survey would show.
6. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
7. Taxes and/or assessments levied or assessed against the subject property pursuant to the provisions of TCA 67-5-601, et seq., which have not been assessed and are not payable, as of the date of this Policy.

NOTE: Upon receipt of satisfactory Owner's Affidavit as required under Schedule B - Section 1, Items 3 and 6 hereinabove may be amended and/or deleted.

NOTE: Upon receipt of satisfactory survey and surveyor's inspection report as required under Schedule B - Section 1, Items 4 and 5 hereinabove may be amended and/or deleted.

8. Taxes for the year 2009, a lien, but not yet due or payable, and all taxes for subsequent years.
9. Covenants and restrictions filed of record in Misc. Book 47, page 591; Misc. Book 85, page 527; Misc. Book 85, page 130, as amended in Misc. Book 156, page 328; Misc. Book 85, page 532, as amended in Misc. Book 136, page 79; and Misc. Book 85, page 536, all in the office of the Blount County Register of Deeds, but omitting any covenant or restriction based on race, color, religion, sex, handicap, familial status or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607, of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.
10. Terms and provisions of Easement Agreement dated July 15, 1996, and recorded in Misc. Book 136, page 261, as corrected in Misc. Book 139, page 638, both in the Register's Office for Blount County, Tennessee.
11. Terms and provisions of Lease Agreement between Harold King and Laurel Valley Property Owner's Association, Inc., dated February 15, 2006, and recorded in Record Book 2104, page 523, in the Register's Office for Blount County, Tennessee.

**SCHEDULE B - SECTION II**  
**EXCEPTIONS**  
(Continued)

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12. Terms and conditions contained in the following judgments:
  - a. Misc. Book 153, page 877;
  - b. Misc. Book 158, page 258; and
  - c. Record Book 2104, page 510, all in the Register's Office for Blount County, Tennessee.
13. Matters depicted or disclosed by map of record in Map File 536B (formerly Map Book 10, page 64), in the office of the Blount County Register of Deeds. (AFFECTS TRACT ONE.)
14. Matters depicted or disclosed by map of record in Map File 537A, in the office of the Blount County Register of Deeds. (AFFECTS TRACT TWO AND FOUR.)
15. Matters depicted or disclosed by map of record in Small Plat Book 6, page 927, in the office of the Blount County Register of Deeds. (AFFECTS TRACT THREE.)

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**EXHIBIT A  
PROPERTY DESCRIPTION**

The land referred to in this Commitment is described as follows:

**TRACT ONE:**

SITUATED in District Fifteen (15) of Blount County, Tennessee, and being all of Lot 9, Block 2, Cold Springs Addition to the Smokies (formerly Laurel Valley), as shown on Map File 536B, in the Register's Office for Blount County, Tennessee, to which map specific reference is hereby made for a more particular description.

BEING part of that property conveyed to Regal Real Estate Company by deed dated July 13, 2009, and recorded in Record Book 2239, page 187, in the Register's Office for Blount County, Tennessee.

**TRACT TWO:**

SITUATED in District Fifteen (15) of Blount County, Tennessee, and being all of Lot No. 16, Block 6, of Cold Springs Subdivision, as shown by map of the same of record in Map File 537A, in the Register's Office for Blount County, Tennessee, to which map specific reference is hereby made for a more particular description thereof.

BEING part of that property conveyed to Regal Real Estate Company by deed dated July 13, 2009, and recorded in Record Book 2239, page 187, in the Register's Office for Blount County, Tennessee.

**TRACT THREE:**

SITUATED in District Fifteen (15) of Blount County, Tennessee, and being all of Lot 18R, in the replat of Lots 18, 19, 20, 21 and 22, containing 2.12 acres, more or less, Block 6, Cold Springs Subdivision, as shown by map of the same of record in Small Plat Book 6, page 927, in the Register's Office for Blount County, Tennessee, to which map specific reference is hereby made for a more particular description thereof.

BEING part of that property conveyed to Regal Real Estate Company by deed dated July 13, 2009, and recorded in Record Book 2239, page 187, in the Register's Office for Blount County, Tennessee.

**TRACT FOUR:**

SITUATED in District Fifteen (15) of Blount County, Tennessee, and being all of Lot No. 27, Block 5, of Cold Springs Subdivision, as shown by map of the same of record in Map File 537A, in the Register's Office for Blount County, Tennessee, to which map specific reference is hereby made for a more particular description thereof.

BEING part of that property conveyed to Regal Real Estate Company by deed dated July 13, 2009, and recorded in Record Book 2239, page 187, in the Register's Office for Blount County, Tennessee.