

Commonwealth Land Title Insurance Company

Commitment Number: 79064

SCHEDULE A

1. Commitment Date: May 3, 2004 at 08:00 AM

2. Policy (or Policies) to be issued:

Policy Amount

(a) Owner's Policy (ALTA Own. Policy (10/17/92))

Proposed Insured:

TO BE NAMED

(b) Loan Policy (ALTA Loan Policy (10/17/92))

Proposed Insured:

(c) ()

Proposed Insured:

3. Fee Simple interest in the land described in this Commitment is owned, at the Commitment Date, by:
Edna L. Bates, Eva Mae Schlosser, Herbert Floyd Bates and Hugh Allen Bates, sole heirs of Edith H. Bates

4. The land referred to in the Commitment is described as follows:

SEE SCHEDULE C ATTACHED HERETO

TENNESSEE VALLEY TITLE INSURANCE CO.

By:

Sharon J. McMillan
TENNESSEE VALLEY TITLE INSURANCE
CO.

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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 inspections report on attached form.
5. Record a properly executed Affidavit from someone familiar with the facts with sufficient information for the title company to determine, if in fact true, that Edith H. Bates died intestate on December 29, 2000, leaving Edna L. Bates, Eva Mae Schlosser, Herbert Floyd Bates and Hugh Allen Bates as her only children and sole heirs.
6. Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to-wit:
 - a. Duly authorized Deed from Edna L. Bates, Eva Mae Schlosser, Herbert Floyd Bates and Hugh Allen Bates, vesting fee simple title in purchaser to be named.

NOTE: 2003 Knox County taxes in the amount of \$1,339.40 have been paid. CLT No. 041-102.

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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 claim 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.

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.

7. Taxes for the year 2004, a lien, but not yet due or payable, and all taxes for subsequent years.

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**SCHEDULE C
PROPERTY DESCRIPTION**

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

SITUATED in District Eight of Knox County, Tennessee, and described as follows:

BEGINNING at a sugar tree on the bank of Roseberry Creek, corner to Henry Roberts; thence with Henry Roberts' line, North 75 deg. West, 16-1/2 poles to a black oak sapling; thence North 36 deg. West, 25 poles to a stake on a hill, formerly a red oak; thence South 29 deg. West, 59-1/2 poles to a stake in a hollow, formerly a hickory; thence with Jesse Mynatt's line, the old Clapp's line, to a conditional corner; thence south with the conditional line and church line to the middle of Rutledge Road; thence with the said Rutledge Road, East to the ford of Roseberry Creek; thence with the meanders of the creek, North to the BEGINNING, supposed to contain 20 acres, more or less.

THERE IS SPECIFICALLY LESS AND EXCEPTED from the above-described property that portion conveyed to Knox County in Deed Book 1199, page 567, in the Knox County Register's Office.

THERE IS FURTHER SPECIFICALLY LESS AND EXCEPTED from the above-described property that portion conveyed to Edna Louise Bates in Deed Book 1644, page 679, in the Knox County Register's Office.

BEING the same property conveyed to Herbert T. Bates and wife, Edith H. Bates, by deed from W. T. Henning, Clerk and Master, dated January 2, 1952, of record in Deed Book 909, page 567, in the Knox County Register's Office.

40271

COMMITMENT FOR TITLE INSURANCE

Issued by **Commonwealth Land Title Insurance Company**



Commonwealth Land Title Insurance Company is a member of the LandAmerica family of title insurance underwriters.

Commonwealth Land Title Insurance Company, a Pennsylvania corporation, herein called the Company, for a valuable consideration, hereby 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 covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

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 hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate 120 days after the effective date hereof or when the policy or policies committed for shall be issued, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the company.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Commitment to become valid when countersigned by an authorized officer or agent of the Company.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest: *Wm. Chadwick Perrine*

Secretary



By:

Janet A. Alpert

President

Conditions and Stipulations

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail 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, the 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. 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.