



Fidelity National Title Insurance Company

COMMITMENT FOR TITLE INSURANCE

Issued by

Fidelity National Title Insurance Company

Fidelity National 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 90 days 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.

IN WITNESS WHEREOF, Fidelity National Title Insurance Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

TN2877
Pioneer Title Agency, Inc.
513 Georgia Avenue
Chattanooga, TN 37403
Tel:(423) 756-8221
Fax:(423) 756-0201

FIDELITY NATIONAL TITLE INSURANCE COMPANY



By: 
President
Attest: 
Secretary

Countersigned: 
Authorized Signatory

C O M M I T M E N T

SCHEDULE A

Effective Date April 8, 2010

Number PTA 115401 FNT597

1. Policy or policies to be issued:

ALTA OWNER'S (06/17/2006) \$not submitted

Proposed Insured: not submitted

ALTA LOAN (06/17/2006) \$not submitted

Proposed Insured: not submitted

2. The estate or interest in the land described or referred to in this Commitment and covered herein is a fee simple, and title thereto is at the effective date hereof vested in:

Sparta Homes, LLC, a Tennessee limited liability company

3. The land referred to in this Commitment is described in Schedule C.

SCHEDULE B - Section 1

The following are the requirements to be complied with:

1. Instrument(s) creating the estate or interest to be insured must be approved, executed and filed for record, to wit:

1) Proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199, in the Register's Office of Hamilton County, Tennessee.

2) Substitute Trustee's Deed from Justin M. Sveadas, Substitute Trustee under Deed of Trust recorded in Book 8050, Page 199, in the Register's Office of Hamilton County, Tennessee, to purchaser.

2. Payment of the full consideration to, or for the account of, the grantors or mortgagors.

3. Payment of all taxes, charges, assessments, levied and assessed against subject premises, which are due and payable.

4. Satisfactory evidence should be had that improvements and/or repairs or alterations thereto are completed; that contractor, subcontractors, labor and materialmen are all paid.

5. Review and approval by this Company of the foreclosure procedures in this matter.

C O M M I T M E N T

SCHEDULE B - SECTION II

EXCEPTIONS

Number PTA 115401

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.

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. Any Owner's policy issued pursuant hereto will contain under Schedule B the standard Exceptions listed below. Any Loan Policy issued pursuant hereto will contain Standard Exceptions (A) and (D) unless a satisfactory survey and inspection of the premises is made:

- (A) Rights or claims of parties in possession not shown by the public records;
- (B) 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;
- (C) Taxes or special assessments which are not shown as existing liens by the public records;
- (D) Any encroachment, encumbrance, violation, variation, or adverse circumstances affecting the title that would be disclosed by an accurate and complete land survey of the land.

3. Special Exceptions:

- (1) The mortgage, if any, noted under Item 1 of schedule B - Section 1 (Owner's Policy only.)
- (2) Taxes. Taxes for the year 2010 are a lien, not yet due and payable.

Taxes for the years 2008 & 2009 are Delinquent. See attached tax sheet for amounts and Parcels.

- (3) 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;
- (4) Taxes or special assessments which are not shown as existing liens by the public records;

(5) Deed of Trust executed by Sparta Homes, LLC to Thomas F. Baker, IV, as Trustee for First Tennessee Bank National Association, dated August 9, 2006, recorded in Book 8050, Page 199, in the Registrar's Office of Hamilton County, Tennessee, to secure \$472,500.00; as affected by Appointment of Substitute of Trustee recorded in Book 9032, Page 318. (Partial Release recorded in Book 8916, Page 396; as to Lots 17, 18 & 20 and Partial Release recorded in Book 8773, Page 933; as to Lot 7). (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(6) Deed of Trust executed by Sparta Homes, LLC to Thomas F. Baker, IV, as Trustee for First Tennessee Bank National Association, dated June 1, 2007, recorded in Book 8364, Page 583, in the Registrar's Office of Hamilton County, Tennessee, to secure \$300,000.00; as affected by Appointment of Substitute of Trustee recorded in Book 9032, Page 319. (Partial Release recorded in Book 8916, Page 396; as to Lots 17, 18 & 20 and Partial Release recorded in Book 8773, Page 933; as to Lot 7). (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(7) Deed of Trust executed by Sparta Homes, LLC to Thomas F. Baker, IV, as Trustee for First Tennessee Bank National Association, dated July 27, 2007, recorded in Book 8421, Page 538, in the Registrar's Office of Hamilton County, Tennessee, to secure \$985,000.00; as amended to increase principal indebtedness to \$1,425,000.00 by Amendment to Deed of Trust, dated April 30, 2008 and recorded in Book 8655, Page 646; as affected by Appointment of Substitute of Trustee recorded in Book 9032, Page 320. (Partial Release recorded in Book 8916, Page 396; as to Lots 17, 18 & 20 and Partial Release recorded in Book 8773, Page 933; as to Lot 7). (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(8) Assignment of Rents, Leases and Contracts executed by and between Sparta Homes, LLC and First Tennessee Bank National Association, as secured party, dated April 29, 2008, recorded in Book 8655, Page 651, in the Registrar's Office of Hamilton County, Tennessee, to secure \$1,425,000.00. (Partial Release recorded in Book 8773, Page 933; as to Lot 7). (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(9) UCC-1 Financing Statement executed by and between Sparta Homes, LLC, as debtor and First Tennessee Bank National Association, as secured party, dated April 29, 2008, recorded in Book 8655, Page 659, in the Registrar's Office of Hamilton County, Tennessee, to secure \$1,425,000.00. (Partial Release recorded in Book 8773, Page 933; as to Lot 7). (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(10) Deed of Trust executed by Sparta Homes, LLC to Patrick, Beard, Schulman & Jacoway, P.C., as Trustee for Interior Trim & Supply, Inc., a Tennessee corporation, dated June 27, 2008, recorded in Book 8704, Page 64, in the Registrar's Office of Hamilton County, Tennessee; to secure \$21,601.24; as to Lot 14. (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(11) Deed of Trust executed by Sparta Homes, LLC to James B. M. Hooper, as Trustee for Henderson, Hutcherson & McCullough, PLLC, a Tennessee limited liability company, dated August 10, 2009, recorded in Book 9006, Page 42, in the Registrar's Office of Hamilton County, Tennessee; to secure \$17,812.27; as to Lot 19). (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(12) Notice of Lien in favor of Integro Pools against Sparta Homes, LLC, filed September 24, 2008 in the amount of \$67,432.25 plus interest & penalty and recorded in Book 8766, Page 551, in the Registrar's Office of Hamilton County, Tennessee. (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(13) Notice of Lien in favor of Paving Division of Stein Construction Co., Inc. against Sparta Homes, LLC, filed March 4, 2008 recorded in Book 8605, Page 575, in the Registrar's Office of Hamilton County, Tennessee. (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(14) Judgment Lien in favor of CMC Publications, LLC against Kostas Iannios, individually and Sparta Homes, LLC, filed October 16, 2009 in the amount of \$3,427.25 and recorded in Book 9038, Page 494, in the Registrar's Office of Hamilton County, Tennessee. (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(15) Judgment Lien in favor of Walden's Ridge Utility District against Kostas Iannios, individually and Sparta Homes, LLC, filed June 1, 2009 in the amount of \$39,600.00 and recorded in Book 8940, Page 157, in the Registrar's Office of Hamilton County, Tennessee. (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(16) Judgment Lien in favor of Walden's Ridge Utility District against Kostas Iannios, individually and Sparta Homes, LLC, filed June 1, 2009 in the amount of \$11,000.00 and recorded in Book 8940, Page 159, in the Registrar's Office of Hamilton County, Tennessee, as to Lot 19. (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(17) Judgment Lien in favor of EPB Electric against Sparta Homes, LLC, filed October 19, 2009 in the amount of \$25,000.00 plus interest & penalty and recorded in Book 9039, Page 467, in the Registrar's Office of Hamilton County, Tennessee. (Note: This security instrument to be deleted from final policy upon proper foreclosure by Justin M. Sveadas, Substitute Trustee, under Deed of Trust recorded in Book 8050, Page 199)

(18) EPB Easements granted to the City of Chattanooga recorded in Book 1920, Page 375 and in Book 2338, Page 939, in the Registrar's Office of Hamilton County, Tennessee.

(19) Boundary Line Agreement dated May 3, 1978 and recorded in Book 2500, Page 382, in the Registrar's Office of Hamilton County, Tennessee.

(20) Easements, rights and right-of-ways of Timesville Subdivision as shown by plat of record in Plat Book 3, Page 45, in the Register's Office of Hamilton County, Tennessee.

(21) Reservations, requirements, restrictions, limitations, conditions, easements, stipulations, etc. as shown, described or noted on plat of record in Plat Book 89, Page 19, in the Register's Office of Hamilton County, Tennessee.

(22) Declaration of Covenants and Restrictions for Dogwood Grove Subdivision, Signal Mountain, Tennessee, recorded in Book 8637, Page 467, in the Register's Office of Hamilton County, Tennessee.

C O M M I T M E N T

SCHEDULE C

Number PTA 115401

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

Located in the Third Civil District of Hamilton County, Tennessee:

Lots One (1) thru Six (6) inclusive, Lots Eight (8) thru Eleven (11) inclusive, Lots Thirteen (13) thru (16) inclusive, Lot Nineteen (19), and Lots Twenty-one (21) thru Twenty-three (23) inclusive, of Dogwood Grove Subdivision, as shown by plat of record in Plat Book 89, Page 19, in the Register's Office of Hamilton County, Tennessee.

The source of Grantor's interest is found in deed recorded in Book 8050, Page 196, in the Register's Office of Hamilton County, Tennessee.