

Commitment for Title Insurance



Issued By Old Republic National Title Insurance Company

Old Republic National Title Insurance Company, a Minnesota 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.

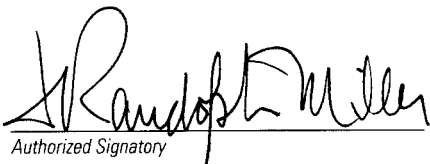
IN WITNESS WHEREOF, Old Republic National Title Insurance Company has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.



Continued on back page

Issued through the Office of

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

*A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111*


Authorized Signatory

By  *President*
Attest  *Secretary*

**SCHEDULE A
COMMITMENT**

Name and Address of Title Insurance Company:

Old Republic National Title Insurance Company
400 Second Avenue South
Minneapolis, MN 55401

File Number: 9790-633

1. Effective Date: January 12, 2012 at 8:00 a.m.

2. Policy or Policies to be Issued:

ALTA Owners Policy
Standard Form 6/17/06 \$To Be Determined

Proposed Insured: To Be Determined

ALTA Loan Policy
Standard Form 6/17/06 \$To Be Determined

Proposed Insured: To Be Determined

3. Interest in the land described in this Commitment is owned, at the Commitment Date, by

Dorothy W. McKenry

4. The Land referred to in this Commitment is described as follows:

SITUATED in the Sixth (6th) Civil District of Knox County, Tennessee, without the corporate limits of the City of Knoxville, Tennessee, and being all of Lot 1 of the Final Plat of McKenry Property as shown on the plat of record in Instrument 201012280039289 in the Knox County Register of Deeds Office, and as shown on the plat of survey of Stanley E. Hinds, Tennessee RLS No. 967, dated August 23, 2010, bearing job no. 1004021, for a more particular description of the said property thereof.

BEING a portion of the property conveyed to Joe L. McKenry and wife, Dorothy W. McKenry, by the Warranty Deed dated May 13, 1968 of record in Deed Book 1380, page 944 and the Warranty Deed dated June 23, 1969 of record in Deed Book 1410, page 403 in the Knox County Register of Deeds Office. Joe L. McKenry died on or about May 4, 2011

leaving Dorothy W. McKenry as the surviving tenant by the entireties without intervening divorce or separation as described in the Affidavit of Survivorship of record in Instrument 201110100019389 in the Knox County Register of Deeds Office. Christopher P. McKenry was appointed Attorney in Fact for Dorothy W. McKenry by virtue of the Durable Power of Attorney of record in Instrument 201110100019391 in the Knox County Register of Deeds Office.

File No. 9790-633

SCHEDULE B-I
REQUIREMENTS

The following requirements must be met:

1. Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
2. Pay us the premiums, fees and charges for the policy.
3. Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
4. You will tell us in writing the name of anyone not referred to in this commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
5. Proper execution of Warranty Deed from Dorothy W. McKenry, surviving tenant by the entireties of Joe L. McKenry, to a Purchaser to be determined to be placed of record in the Knox County Register of Deeds Office.
6. 2011 Knox County taxes are PAID in the amount of \$4,336.00; CLT No. 143-127 (part of); Assessment \$183,725.00.
7. Satisfaction and/or release of Open-End Deed of Trust dated June 26, 2009, executed by Joe L. McKenry and Dorothy W. McKenry, husband and wife, to Investors Trust Company, Trustee for Home Federal Bank of Tennessee, of record in Instrument 200907060001517 in the Knox County Register of Deeds Office which states that it secures a note in the sum of \$100,000.00.
8. Execution of an Owner's Affidavit on a form to be supplied by the Company.
9. Submit ALTA/ACSM land title survey or other survey satisfactory to the Company by an approved surveyor. Additional exceptions may be made for easements, parties in possession of the land, encroachments, overlaps, boundary line discrepancies, and other matters which may be disclosed by the survey.

SCHEDULE B-II

EXCEPTIONS

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. Any discrepancies, conflicts, easements, boundary line disputes, encroachments or protrusions, or overlapping of improvements which would be disclosed by an inspection and accurate survey of the premises.
2. Rights and claims of parties in possession.
3. Mechanics', Contractors', or Materialmen's liens and lien claims, if any, where no notice thereof appears on record.
4. Any facts, rights, interests or claims which are not shown by the public record, but which could be ascertained or by making inquiry of person(s) in possession thereof.
5. Liens, encumbrances, or claims thereof, which are not shown by the public record.
6. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date but prior to the date of the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
7. General or special taxes and assessments required to be paid in the year 2012 and subsequent years.
8. Flowage Easement in favor of the United States of America below the 820 foot contour line of record in Deed Book 636, page 423 in the Knox County Register of Deeds Office.
9. Rights of others in utility lines, roads and flowage easements as recited in the Warranty Deed dated May 20, 1942 to the United States of America of record in Deed Book 640, page 337 in the Knox County Register of Deeds Office.
10. Charter rights as may exist in the Southern Railway Company.
11. Easement dated December 10, 1985 conveyed to the First Utility District of Knox County, Tennessee of record in Deed Book 1870, page 806 in the Knox County Register of Deeds Office.
12. Title to that portion of land lying below the ordinary low water mark of the Tennessee River.

13. Easement for the flow of the Tennessee River and the rights of public therein.
14. Changes in the boundary of the land resulting from erosion or accretion caused by the flow of the Tennessee River.
15. This policy, when issued, will not insure title to any submerged lands.
16. Rights of riparian owners and public generally in and to the use of the waters of Fort Loudon Lake.
17. This policy, when issued, will not insure title to any portion of the property lying below the mean low water mark of Fort Loudon Lake.
18. Rights of the United States of America in and to navigable waters or to any portion which is filled-in land formerly within the navigable waters and any conditions contained in any permits authorizing the fill-in of such lands.
19. Plat of record in Instrument 201012280039289 in the Knox County Register of Deeds Office discloses the following:
 - a. Ten feet wide utility and drainage easements inside all boundary and road lines, five feet wide inside all other lot lines except as modified by subdivision variance;
 - b. Minimum floor elevation = 819.0;
 - c. 25 feet wide inner stream buffer and outer stream buffer along the shoreline as located on the plat;
 - d. Tennessee Valley Authority flowage easement along the shoreline as located on the plat;
 - e. 15 feet wide sanitary sewer line easement across the lot as shown;
 - f. Minimum building setback lines to conform to zoning;
 - g. Electric utility line along the northerly boundary of the property on Fox Road; and,
 - h. Encroachment of barns appurtenant to the property within the Tennessee Valley Authority flowage easement and the inner stream buffer and outer stream buffer along the shoreline as located on the plat.

NOTE: No insurance is afforded as to the exact amount of area or acreage contained in the herein described property.

NOTE: Notwithstanding any provision to the contrary herein, this Commitment shall cease and terminate six months after the effective date hereof.

NOTE: If policy is to be issued in support of a mortgage loan, attention is directed to the fact that the Company can assume no liability under its policy, the closing instructions, or Insured Closing Service for compliance with the requirements of any consumer credit protection or truth in lending law in connection with said mortgage loan.

NOTE: Anything contained in this policy to the contrary notwithstanding, this policy does not guarantee the completion of improvements, their compliance with building plans and specifications nor the sufficiency of funds for completion thereof.

CONDITIONS

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 acquired 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 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.
5. 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/>.