

Old Republic National Title Insurance Company

Commitment Number: 89055

SCHEDULE A

1. Commitment Date: November 26, 2007 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
 - (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 William D. Bacon and Sheryl Ann Bacon.
4. The land referred to in the Commitment is described as follows:
SEE SCHEDULE C 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 Notice and Waiver signed by the mortgagors.
4. Furnish a properly executed Owner's Affidavit on attached form.
5. Furnish an accurate, current survey and surveyor's inspection report on attached form.
6. Payment of 2007 Loudon County taxes in the amount of \$1,103.00.
CLT #055-059.
7. Cancellation and release of record the Deed of Trust (Open-End) from William D. Bacon and wife, Sheryl Ann Bacon to C. David Allen, Trustee for First National Bank, in an amount not to exceed \$99,500.00, dated March 30, 2004, and recorded in Trust Book 714, page 740, in the Loudon County Register's Office.
8. Cancellation and release of record the Deed of Trust from William D. Bacon and wife, Sheryl Ann Bacon to John E. Robbins, Trustee for Curtis Mortgage Company, in the original amount of \$382,500.00, dated June 7, 2001, and recorded in Trust Book 532, page 846; as subsequently assigned to BankOne, National Association, as Trustee, in Trust Book 617, page 466, both in the Loudon County Register's Office.
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 William Darrell Bacon and Sheryl Ann Bacon, vesting fee simple title in purchaser(s) to be determined.

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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 2008, a lien, but not yet due or payable, and all taxes for subsequent years.
9. Rollback taxes as may be applicable pursuant to Application for Greenbelt Assessment - Agricultural, dated June 15, 2001, and recorded in Trust Book 533, page 806, in the office of the Loudon County Register of Deeds.
10. Transmission line easement granted to the United States of America, dated July 26, 1938, of record in Deed Book 40, page 135, in the Loudon County Register's Office.
11. Terms and provisions of Agreement Regarding Shed Encroachment and Permissive Use, dated October 16, 1998, of record in Trust Book 447, page 734, in the Loudon County Register's Office.
12. Right of way easement to Colonial Pipeline Company, dated June 30, 1988, of record in Deed Book 175, page 560, in the Loudon County Register's Office.
13. Rights of others in driveway as set out in Deed Book 168, page 269, in the Loudon County Register's Office.
14. Rights to use well as set out in Deed Book 151, page 28, in the Loudon County Register's Office.

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**SCHEDULE C
PROPERTY DESCRIPTION**

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

THE LEGAL DESCRIPTION WILL BE PROVIDED UPON RECEIPT OF CURRENT SURVEY.

BEING property conveyed to William D. Bacon and wife, Sheryl Ann Bacon, by deed from William Henry Russell, and wife, Mary Monk Russell, dated June 7, 2001, and recorded in Deed Book 260, page 639, in the Loudon County Register's Office.

See Divorce Decree recorded in Deed Book 309, page 703, in the Loudon County Register's Office.