

ALTA. COMMITMENT – 2006
CHICAGO TITLE INSURANCE COMPANY
P.O. Box AAAA • Any city, NC 28403
Phone (111) 222-3333 • Fax (111) 444-5555

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SCHEDULE A

Order Number:
xx-0007738

1. Effective Date: **March 11, 2008 at 5:00 P.M.**
2. Policy or Policies to be issued:

Owner's Policy: **ALTA Owner's Policy (06-17-06)**
Policy Amount: **\$212,000.00**
Proposed Insured: **Edgar Buyer, Jr.**

Loan Policy: **ALTA Loan Policy (06-17-06)**
Policy Amount: **\$147,000.00**
Proposed Insured: **New Lender, N.A. and/or its successors and assigns, as their interests may appear**
3. The estate or interest in the land described or referred to in this Commitment is:

Fee Simple
4. Title to the **Fee Simple** estate or interest in the land is at the Effective Date vested in:

Robert S. Seller and wife, Susie B. Seller
5. The land referred to in this Commitment is described as follows:

Lying and being situate in Any County, North Carolina, and being more particularly described as follows:

Being all of Lot 245, Super Subdivision, Phase 3-A, according to the plat thereof, recorded in Map Book 40, Page 365, in the Office of the Register of Deeds of Any County, North Carolina.

END SCHEDULE A

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SCHEDULE B – SECTION I
REQUIREMENTS

The following requirements must be met:

1. Instrument(s) creating the estate or interest to be insured which must be executed, delivered, and duly filed for record within the time prescribed to avoid treatment as a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws:
 - (a) Warranty Deed from ROBERT B. SELLER AND WIFE, SUSIE A. SELLER to EDGAR A BUYER, JR., UNMARRIED.
 - (b) Deed of Trust from EDGAR A. BUYER, JR. and spouse/their respective spouses, if any, to a Trustee for NEW LENDER, N.A. securing \$147,000.00.
2. Cancellation, release, termination, discharge, or satisfaction of record of the following:
 - (a) Deed of Trust executed by Robert B. Seller and wife, Susie B. Seller to Joe B. Craig, Trustee for Washington Mutual Bank FA, filed for record in Book 4703, page 327, securing \$72,800.00. Assignment to Wells Fargo Bank recorded in Book 5156, page 2964, Any County Registry. Request for Notice to Wachovia Bank recorded in Book 4881, page 3352, Any County Registry.
 - (b) Deed of Trust to Trste, Inc., Trustee for Wachovia Bank, National Association, filed for record in Book 4881, page 3344, securing \$100,000.00.
3. Payment of the full consideration to or for the account of the grantor(s) or mortgagor(s).
4. Payment of all taxes (including deferred taxes) and assessments (pending or confirmed) which are or may become a lien on the Land and are due OR payable at time of recording of the instrument creating the interest to be insured.
5. Payment of any owners' association dues, charges, or assessments claimed or due and payable at time of recording of the instrument creating the interest to be insured, whether or not a claim of lien has been filed, if same are or may become a lien superior to the interest to be insured.
6. Receipt of accurately completed and executed Chicago Title Insurance Company Owner/Borrower/Contractor Affidavit and Indemnification Agreement (or other documentation providing comparable assurances) evidencing that there has been no furnishing of labor or professional design or surveying services, materials, or rental equipment for improvements on the Land for which a Chapter 44A lien could be filed; OR in the alternative, that all parties contracting directly with the owner to provide such labor, services, materials, or equipment (i) for completed construction of improvements have been paid in full and have executed a waiver of Chapter 44A lien rights, or (ii) for contemplated or in progress construction of improvements have executed a subordination of Chapter 44A lien rights.
7. If coverage is to include the priority as of the date of recording of the insured deed of trust for advances made after recording, the deed of trust must include notice that it will secure future obligations (including revolving line of credit, if applicable), state the maximum principal amount and, as applicable, state either (1) the amount of present obligations secured and that all future obligations must be incurred within 15 years from the date thereof (in compliance with N.C.G.S. 45-67 et seq.) for future advance or construction loan transactions or (2) that it secures an equity line of credit and is governed by the provisions

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of Chapter 45, Article 9 of the North Carolina General Statutes (N.C.G.S. 45-81 et seq.) for an equity line of credit.

END OF SCHEDULE B – SECTION I

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SCHEDULE B – Section 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. 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 the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Taxes or assessments for the year 2008, and subsequent years, not yet due or payable.
3. Terms, provisions, options, right of first refusal, covenants, conditions, restrictions, easements, charges, assessments, and liens provided for in instrument(s) filed for record in Book 2470, page 257; Book 2919, page 1949; Book 3149, page 657; Book 3149, page 668; Book 3149, page 679, Book 3149, page 690, Book 4381, page 168 and Book 5219, page 1275, and any related maps, plans, bylaws and other document(s) and amendment(s), but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. (Owner's Policy Only)
4. Terms, provisions, options, right of first refusal, covenants, conditions, restrictions, easements, charges, assessments, and liens provided for in instrument(s) filed for record in Book 2470, page 257; Book 2919, page 1949; Book 3149, page 657; Book 3149, page 668; Book 3149, page 679, Book 3149, page 690, Book 4381, page 168, Book 5219, page 1275, and any related maps, plans, bylaws and other document(s) and amendment(s), but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. The Company insures against loss or damage as a result of an existing violation of same, if any, and that a violation will not cause a forfeiture or reversion of Title.
5. Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variation, or other adverse circumstance affecting the Title disclosed by plat(s) recorded in Map Book 40, Page 365. (Owner's Policy Only)
6. Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variation, or other adverse circumstance affecting the Title disclosed by plat(s) recorded in Map Book 40, Page 365. The Company insures against loss or damage resulting from an existing violation of same and that a future violation will not cause a forfeiture or reversion of Title. (Loan Policy Only)
7. Rights of others in and to any party walls and common areas.
8. Notice of Representation in favor of Century 21 Sweyer & Associates d/b/a T & S Property Management LLC recorded in Book 4873, page 2177, Any County Registry.
9. Deed of Easement for Service in favor of Time Warner Entertainment Advance /Newhouse Partnership recorded in Book 2541, page 545, Any County Registry.
10. Easement(s) to North Carolina Natural Gas recorded in Book 2449, page 137.

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11. Easements and servitudes of record.

12. Any discrepancy, conflict, access, shortage in area or boundary lines, encroachment, encumbrance, violation, variation, overlap, setback, easement or claim of easement, riparian right, and title to land within roads, ways, railroads, watercourses, burial grounds, marshes, dredged or filled areas or land below the mean highwater mark or within the bounds of any adjoining body of water, or other adverse circumstance affecting the Title that would be disclosed by a current inspection and accurate and complete land survey of the Land. (Owner's Policy only)

END OF SCHEDULE B – SECTION II

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NOTES

(A) NOTE: All terms, provisions, and Conditions of the American Land Title Association (ALTA) Commitment for Title Insurance (2006) are incorporated herein by reference including, but not limited to the following:

(1) All liability and obligation under this Commitment shall cease and terminate 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.

(2) If the policy to be issued is an ALTA Owner's Policy (6/17/06) or ALTA Loan Policy (6/17/06), the policy 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/>>.

(3) Notwithstanding anything to the contrary in this Commitment, if the policy to be issued is other than an ALTA Owner's Policy (6/17/06) or ALTA Loan Policy (6/17/06), the policy may not contain an arbitration clause, or the terms of the arbitration clause may be different from those set forth in this Commitment. If the policy does contain an arbitration clause, and the Amount of Insurance is less than the amount, if any, set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.

A full copy of the ALTA Commitment for Title Insurance (2006) is available on our website at <<http://www.northcarolina.ctt.com>> or by contacting your local Chicago Title issuing office.

(B) NOTE: INSURED CLOSING PROTECTION LETTER - When closing of the transaction for which this commitment is issued is conducted by ROBERT CALDER, JR., the Company affords insured closing protection as described in the North Carolina Title Insurance Rating Bureau NCTIRB-01-2003 Closing Protection Letter, Filing PC064747 with the North Carolina Department of Insurance, to the Proposed Insured(s) identified in Schedule A of this Commitment. Said letter is incorporated by reference herein in its entirety. Closing protection coverage is provided in an amount equal to the amount of coverage provided by the final policy issued hereunder in favor of said Insured(s). Note that under the terms of the Closing Protection Letter, a borrower in connection with a loan secured by a mortgage on a one-to-four family dwelling shall be protected as if the letter addressed to the lender were addressed to the borrower. In the event title insurance coverage is obtained from another title insurance company, then closing protection coverage is hereby rescinded. Claims under such letter shall be made promptly to the Company at the issuing office or its Claims Department at P.O. Box 45023 Jacksonville, FL 32232-5023 along with a copy of this commitment.

(C) NOTE: The Loan policy will include all endorsements listed below for which requirements for issuance have been met:

ALTA 5-06	Planned Unit Development
ALTA 8.1-06	Environmental Protection Lien - Paragraph b refers to the following state statute(s): None in North Carolina
ALTA 9-06	Restrictions, Encroachments, Minerals

END OF NOTES