

Issuing Agent: Attorneys Title  
Issuing Office: 1169308  
ALTA Universal ID: 0001818  
State License ID: NC-1000145144  
Loan No. Not Applicable  
Commitment No. 19H040782  
Issuing Office File No. 19H040782  
Property Address: 17.54 +/- acres, Polk County, NC 00000

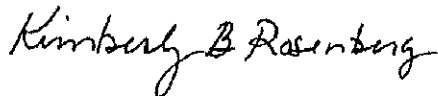
**COMMITMENT FOR TITLE INSURANCE FORM**  
***Commonwealth Land Title Insurance Company***

**SCHEDULE A**

1. Commitment Date: October 4, 2019 at 09:00 AM
2. Policy or Policies to be issued:
  - a. Owner's Policy      ALTA Owners Policy (6/17/06)      Proposed Policy Amount: \$975,000.00

Proposed Insured:  
A natural or legal entity, to be determined
3. The estate or interest in the Land described or referred to in this Commitment is:  
  
Fee Simple
4. The Title is, at the Commitment Date, vested in:  
  
K. Bruce Connell, as Trustee of the Janet C. Connell Qualified Personal Residence Trust under Agreement dated 12/19/2008
5. The Land is described as follows:

BEGINNING at an iron pin in the northern margin of the road leading from the Town of Tryon to the Tryon Country Club, at the corner of a certain property acquired by Nelson Jackson from Scruggs, and runs thence with Nelson Jackson's line North 15 degrees 15 minutes East 70.1 feet to a stake in the margin of paved Highway No. 191, leading from Tryon to Saluda, thence with the margin of said highway, five (5) calls as follows: North 32 degrees West 132 feet, North 37 degrees 22 minutes West 570 feet, North 56 degrees 47 minutes West 218.5 feet, North 76 degrees 47 minutes West 470 feet, North 59 degrees 47 minutes West 143.5 feet to a stake on point at the northeastern corner of property formerly owned by the Rev. A.S. Caldwell Estate; thence with the Caldwell or Taylor line six (6) calls as follows: South 31 degrees 13 minutes West 220 feet, South 7 degrees 16 minutes West 153 feet, South 2 degrees 47 minutes East 157 feet, South 17 degrees 12 minutes East 117 feet, South 6 degrees 23 minutes West 166 feet, South 63 degrees 37 minutes East 147 feet to an iron pin in the northern margin of the Country Club Road; thence with the said northern margin of the Country Club Road, five (5) calls as follows: South 84 degrees 12 minutes East 292 feet, South 69 degrees 47 minutes East 123 feet, North 86 degrees 3 minutes East 250 feet, South 88 degrees 47 minutes East 293 feet, South 78 degrees 35 minutes East 182.4 feet to the BEGINNING, containing 17.54 acres, more or less.

Countersigned by: 

Kimberly B. Rosenberg, President, Attorneys Title

Attorneys Title

**Commonwealth Land Title Insurance Company**

**SCHEDULE B, PART ONE**

**REQUIREMENTS**

All of the following requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered and recorded in the Public Records.

Deed from K. Bruce Connell, as Trustee of the Janet C. Connell Qualified Personal Residence Trust under Agreement dated 12/19/2008 to A natural or legal entity to be determined, conveying interest in the Land.

5. Pay all taxes, charges, assessments, levied and assessed against subject premises, if any, which are due and payable, plus penalties and interest.
6. Receipt of applicable NCLTA form below (or substantially similar form approved by Company), completed, executed and notarized, as follows:

**NO RECENT (last 120 days) OR CONTEMPLATED CONSTRUCTION :**

NCLTA FORM 1 (Owner Affidavit) from every seller (on sale) or borrower (on refinance) who has not contracted for recent or contemplated improvements on the Land or for a construction loan.

NOTE: If a contract purchaser has contracted for or is contemplating improvements, see "CONSTRUCTION CONTEMPLATED OR IN PROCESS" below.

**RECENTLY COMPLETED IMPROVEMENTS:**

**Non-MLA project:** NCLTA FORM 2 (Owner/Contractor Affidavit, Lien Waiver, and Indemnity) from every Owner and every Contractor.

**MLA project:**

1. Receipt of proof satisfactory to the Company that prior to closing or prior to first contracting for construction (whichever occurs first),
  - a. A Lien Agent was designated on the LiensNC.com website, AND
  - b. The Appointment of Lien Agent was posted at the Land.
2. NCLTA FORM 5 (Owner Affidavit) from every Owner; AND
3. NCLTA FORM 6 (MLA Lien Waiver) from every PLC-MLA.

**CONSTRUCTION CONTEMPLATED OR IN PROCESS:**

**Non-MLA project:** NCLTA FORM 3 (Owner/Contractor Affidavit, Indemnity and Lien Subordination) (for lender coverage only) from every Owner and every Contractor.

**MLA project:**

1. Receipt of proof satisfactory to the Company that prior to closing or prior to first contracting for construction (whichever occurs first):
  - a. A Lien Agent was designated on the LiensNC.com website, AND

- b. The Appointment of Lien Agent was posted at the Land;
2. NCLTA FORM 5 (Owner Affidavit) from every Owner; AND;
3. NCLTA FORM 6 (MLA Lien Waiver) or NCLTA FORM 7 (MLA Subordination of Liens) from every PLC-MLA.

NOTE: If a contract purchaser has contracted for or is contemplating improvements prior to closing, see "NO RECENT IMPROVEMENTS" above regarding seller lien affidavits as well.

**MLA Project - MLA NOT Appointed Prior to Contracting for Labor Services or Materials**

In all cases in which an MLA was required but not (timely) appointed, prior approval and terms of coverage (if any) by Company underwriting counsel is required.

**Applicable Definitions**

**"Non-MLA Projects":** Improvements are (1) first contracted before April 1, 2013, (2) for a value less than \$30,000 OR (3) solely for improvements to owner's existing residence. All other projects (other than public projects) are **MLA projects**.

**"Owner"** is holder of any interest in the Land, including leasehold owner or contract purchaser.

**"Potential Lien Claimant"** (or "PLC - MLA") is any person (or entity) entitled to file a claim of lien on real property (herein "**Liens**"), for providing labor, services, (including design professionals such as surveyors, architects, engineers and landscape engineers), materials or rental equipment provided for improvements to the Land (herein "**Improvements**"), pursuant to Article 2 of Chapter 44A of the North Carolina General Statutes AND who either has filed a Notice to Lien Agent, OR was identified in the original Appointment, OR is a Design Professional OR is a PLC whose first furnishing was within 15 days prior to closing OR (for waivers) delivered a claim of lien upon funds on the Owner.

**"Contractor"** Any person or entity who has performed or furnished or has contracted to perform or furnish Labor, Services or Materials pursuant to a contract, either express or implied, with the Owner of real property for the making of an Improvement thereon OR who has delivered a claim of lien upon funds to the Owner.

7. Attorney to certify that K. Bruce Connell, acting as Trustee, has the authority to sell and convey or encumber the proposed insured Land.

**Commonwealth Land Title Insurance Company**

**SCHEDULE B, PART TWO**

**EXCEPTIONS**

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim or other matter that appears for the first time in the Public Records or is created, attaches or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part One - Requirements are met.
2. Taxes for the year 2020 and all subsequent years, not yet due and payable.
3. Easement(s) for public and/or private use.
4. Rights of way of Country Club Road and US Highway 176 to their full legal widths.
5. Easement to Town of Tryon for water line recorded in Book 191, Page 662, Polk County Registry.
6. Easement(s) to Duke Power Company recorded in Book 76, Page 638, Polk County Registry.
7. Rights of Way to Ruth K. Wick recorded in Book 89, Page 16 and Book 90, Page 305, Polk County Registry.
8. Encroachments, overlaps, boundary line disputes, deficiency in amount of area, rights, easements, ditches, cartways, setbacks, rights of parties in possession, interests or claims which would be revealed by a current and accurate survey and inspection of the Land.

NO CLOSING SERVICES INSURANCE - As to the transaction for which this Commitment is issued, the Company does not afford Insured closing protection/closing services insurance absent revision of this Commitment to include a statement that coverage is afforded to those parties identified in a separate closing protection letter issued simultaneously with revision of the Commitment. Any closing protection coverage or letter which heretofore may have been issued is hereby rescinded and shall not be effective as to this transaction. Any closing protection letter subsequently issued shall not be effective as to this transaction absent the accompanying requisite revision of this Commitment.

**COMMITMENT FOR TITLE INSURANCE  
ISSUED BY  
*Commonwealth Land Title Insurance Company***

**NOTICE**

**IMPORTANT – READ CAREFULLY:** THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

**COMMITMENT TO ISSUE POLICY**



Subject to Notice; Schedule B, Part I – Requirements; Schedule B, Part II – Exceptions; and the Commitment Conditions, **Commonwealth Land Title Insurance Company**, a Nebraska corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only with the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I – Requirements have not been met within 6 months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

IN WITNESS WHEREOF, **Commonwealth Land 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.

*Commonwealth Land Title Insurance Company*



By:  President  
ATTEST  Secretary

**COMMITMENT FOR TITLE INSURANCE  
ISSUED BY  
*Commonwealth Land Title Insurance Company***

**COMMITMENT CONDITIONS**

**1. DEFINITIONS**

- a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- b) "Land": The Land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- h) "Title": The estate or interest described in Schedule A.

2. If all of the Schedule B, Part I – Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- a) the Notice;
- b) the Commitment to Issue Policy;
- c) the Commitment Conditions;
- d) Schedule A;
- e) Schedule B, Part I – Requirements;
- f) Schedule B, Part II – Exceptions; and
- g) a counter-signature by the Company or its issuing agent that may be in electronic form.

**4. COMPANY'S RIGHT TO AMEND**

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

**5. LIMITATIONS OF LIABILITY**

- a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
  - (i) comply with the Schedule B, Part I – Requirements
  - (ii) eliminate, with the Company's written consent, any Schedule B, Part II – Exceptions; or

- (iii) acquire the Title or create the Mortgage covered by this Commitment.
  - b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
  - c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
  - d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
  - e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
  - f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I – Requirements have been met to the satisfaction of the Company.
  - g) In any event, the Company's liability is limited by the terms and provisions of the Policy.
6. **LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT**
- a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
  - b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
  - c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, expressed or implied, relating to the subject matter of this Commitment.
  - d) The deletion or modification of any Schedule B, Part II – Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
  - e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
  - f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.
7. **IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT**
- The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.
8. **PRO-FORMA POLICY**
- The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-form policy is delivered to a Proposed Insured, nor is it a commitment to insure.
9. **ARBITRATION**
- The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.