

Third National Title Insurance Company

Agent's File Number: 05-068AA

Commitment Number:

Schedule A

Effective Date: **October 25, 2005 at 08:00:00 AM**

- | 1. Policy or Policies to be issued: | Policy Amount |
|--|---------------|
| <input checked="" type="checkbox"/> ALTA Owner's Policy - 1992 (Owner's Form)
Proposed Insured:

Erlene Smith | TBD |
| <input checked="" type="checkbox"/> ALTA Loan Policy - 1992 (Lender's Form)
Proposed Insured:

TBD it's successor's and/or assigns as their respective interest may appear | TBD |
2. Title to the fee simple estate or interest in said land is at the effective date hereof vested in:

Earl O. Johnson, a married man
3. The land referred to in this Commitment is located in the County of Walton, State of Florida and described as follows:

See Exhibit "A" (Continuation Page) attached hereto and made a part hereof:

Issued Date: **November 1, 2005**

ABC Title Company, Inc. as issuing agent for
Farrow Family Title Insurance Company

By: _____
Authorized Signatory

Third National Title Insurance Company

Agent's File Number: 05-068AA

Commitment Number:

Schedule A, Continuation Page

Commencing at the Southeast corner of the Southeast Quarter of the Northwest Quarter of Section 36, Township 3 North, Range 19 West, Walton County, Florida; run thence North 01 degree 09 minutes 06 seconds East along the quarter section line, 175.7 feet to the Point of Beginning; thence run North 88 degrees 50 minutes 54 seconds North a distance of 150 feet; thence North 01 degree 09 minutes 06 seconds East a distance of 60 feet; thence South 88 degrees 50 minutes 54 seconds East a distance of 150 feet; thence South 01 degree 09 minutes 06 seconds West along the quarter section line, 60 feet to the Point of Beginning.

Third National Title Insurance Company

Agent's File Number: 05-068AA

Commitment Number:

Schedule B-I

Part I. The following are the requirements to be complied with

1. Payment to, or for the account of the grantors and/or mortgagors of the full consideration for the estate or interest to be insured.
2. Payment of all taxes and/or assessments, levied and assessed against property, which are due and payable.
3. Proper documents creating the estate or interest to be insured must be executed and duly filed for record, to wit:
 - a. Warranty Deed from the heirs and devisees of Earl O. Covington to Erlene Smith conveying the property as described in Schedule A of this Commitment.
4. Proper Probate Proceedings for Earl O. Johnson (deceased) must be undertaken in Walton County, Florida. NOTE: The company reserves the right to make additional requirements upon review of the above required Probate proceedings.
5. Certified copy of the Death Certificate of Earl O. Johnson or a recordable affidavit of death.
6. The actual value of the estate or interest to be insured must be disclosed to the company and, subject to approval by the Company, entered as the amount of the Policy to be issued. Until the amount of the Policy to be issued shall be determined and entered as aforesaid, it is agreed by and between the Company, the applicant for this Commitment, and every person relying on this Commitment, that the Company cannot be required to approve any such evaluation in excess of \$1,000.00, and the total liability of the Company on account of this Commitment shall not exceed said amount.
7. The name(s) of the Proposed Insured under the Mortgage Policy must be furnished in order that this Commitment may become effective. The Company reserves the right to make such additional requirements as it may deem necessary.

Third National Title Insurance Company

Agent's File Number: 05-068AA

Commitment Number:

Schedule B-II

Part II. Schedule B of the policy or policies to be issued will contain exception 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 record of 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. Rights or claim of parties in possession not shown by the public records.
3. Easements, or claim of easements, not shown by the public records.
4. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey and inspection of the premises.
5. Any liens, or right to a lien, for services, labor or material hereto or hereafter furnished, imposed by law and not shown by the public records.
6. Any dispute as to the boundaries caused by a change in the location of any water body within or adjacent to the land prior to Date of Policy, and any adverse claim to all or part of the land that is, at Date of Policy, or was previously, under water.
7. Any titles or rights asserted by anyone including but not limited to persons, corporations, governments or other entities, to tide lands, or lands comprising the shores or bottoms of navigable rivers, lakes, bays, ocean or gulf, or lands beyond the line of the harbor or bulkhead lines as established or changed by the United States Government or water rights, if any.
8. Taxes or special assessment not shown as liens in the public records or in the records of the local tax collecting authority, at Date of Policy.
9. Rights of dower, homestead or other marital rights of the spouse, if any, of any individual insured.
10. Any minerals or mineral rights leased, granted or retained by current or prior owner.

Special Exceptions:

11. Taxes for the year 2005, which are not yet due and payable.

2004 Tax Information:

Tax ID# 36-3N-19-19000-053-000 , Assessed Value is \$10,713.00 , Gross amount is \$163.01, Amount paid is \$167.90, paid on 4/4/2005, A homestead exemption does not apply for the current tax year.

12. Subject to that certain Roadways and Utilities Easement dated June 12, 1954 and recorded June 19, 1954 in DB 12 at Page 801 in favor of the State of Florida.

Third National Title Insurance Company

Agent's File Number: 05-068AA

Commitment Number:

13. Restrictions, reservations, covenants and conditions pursuant to that certain instrument recorded in Deed Book 233 at Page 402 of the Public Records of Walton County, Florida.
14. Subject to that certain Oil, Gas and Minerals Lease dated May 1, 2004 and recorded May 2, 2004, in OR Book 1001 at Page 5 of the Public Records of Walton County, Florida.