

# THE HOGAN LAW FIRM®

*We mean business*<sup>SM</sup>

August 6, 2012

Sumter County BOCC  
Bradley Arnold  
7375 Powell Road  
Wildwood, Florida 34795



RE: Sumter Purchase from Lake-Sumter Properties Inc.

Dear Mr. Arnold:

Enclosed are the following documents related to the above-referenced transaction for your files:

- Title Commitment
- Recorded Warranty Deed
- Owners Policy

It was a pleasure working with you. Since this concludes the matter, we will be closing our file.

Sincerely,

A handwritten signature in blue ink that reads "Amy Palmer".

Amy Palmer  
Legal Assistant

ALP/  
Enclosures



**Commitment for Title Insurance  
(with Florida Modifications)**

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.

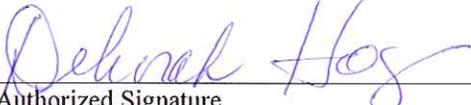
The company will provide a sample of the policy form upon request.

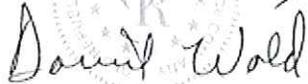
This Commitment shall not be valid or binding until countersigned by an authorized office of the Company or an agent of the Company.

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.

Issued through the Office of:  
**HOGAN LAW FIRM**  
**20 SOUTH BROAD STREET**  
**BROOKSVILLE, FL 34601**  
Phone: 352-799-8423

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**  
*A Stock Company*  
400 Second Avenue South, Minneapolis, Minnesota 55401  
(612) 371-1111

  
Authorized Signature

By  President  
Attest  Secretary

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.
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 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 whether or not based on negligence 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 will contain the following arbitration clause: Unless prohibited by applicable law, arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association may be demanded if agreed to by both the Company and the Insured at the time of the controversy or claim. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, and service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the Land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request



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**Old Republic National Title Insurance Company**  
**1410 N. Westshore Blvd. Ste. 800**  
**Tampa, Florida 33607**

**SCHEDULE A**

FILE NO.: 12051583 PJG  
Agent File # 12-123

County: Sumter

1. Effective Date: June 14, 2012 at 8:00 A.M.

2. Policies to be Issued: Proposed Amount of Insurance:

(a) ALTA 2006 OWNER'S POLICY (with Florida Modifications) Proposed Insured:	Amount: \$318,000.00 Premium: \$
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Sumter County, a political subdivision of the State of Florida

(b) ALTA 2006 LOAN POLICY (with Florida Modifications) Proposed Insured:	Amount: N/A Premium: \$
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N/A

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:

Lake - Sumter Properties, Inc., a Florida corporation

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

See Attached Legal Description

**SCHEDULE B - SECTION I  
REQUIREMENTS**

Requirements:

1. Payment of the full consideration to, or for the account, of, the grantors or mortgagors.
2. Instrument(s) necessary to create the estate or interest to be insured must be properly executed, delivered and duly filed for record:
  - a) Warranty Deed from Lake - Sumter Properties, Inc., a Florida corporation to the proposed insured. (Note: Said deed must be executed by an officer of the corporation.)
3. Other instruments which must be properly executed, delivered and duly filed for record, and/or other matters which must be furnished to the company:
  - a) Evidence satisfactory to the company must be furnished showing proof of the legal existence of Lake - Sumter Properties, Inc., a Florida corporation.
  - b) Release of Parcel 2 land from the Mortgage from Lake - Sumter Properties, Inc. a/k/a Lake Sumter Properties, Inc., a Florida corporation to CenterState Bank West Florida, N.A. recorded February 8, 2006 and recorded in O.R. Book 1524, Page 347 and the Assignment of Rents recorded in O.R. Book 1524, Page 355, as partially released by instrument recorded in O.R. Book 1918, Page 646 and modified by instrument recorded in O.R. Book 2364, Page 660 and further modified by instrument recorded in O.R. Book 2415, Page 54.
  - c) Release of Parcel 2 land from the Mortgage from Signature Properties LLC, a Florida limited liability company and Lake Sumter Properties, Inc., a Florida corporation to CenterState Bank West Florida, N.A. recorded September 8, 2006 and recorded in O.R. Book 1649, Page 754, as modified by instrument recorded in O.R. Book 2216, Page 143.
  - d) Release of Parcel 2 land from the Assignment of Rents Signature Properties L.L.C., a Florida limited liability company and Lake - Sumter Properties, Inc. AKA Lake Sumter Properties, Inc., a Florida corporation to CenterState Bank West Florida, N.A. recorded August 3, 2010 in O.R. Book 2216, Page 146.
  - e) Submit proof that all municipal charges and assessments and all municipal service charges for water, sewer and waste collection, if any, are paid.

**NOTE:** All recording references in this commitment/policy shall refer to the Public Records of Sumter County, unless otherwise noted.

**SCHEDULE B SECTION II IS CONTINUED ON AN ADDED PAGE**

**SCHEDULE B - SECTION II**

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. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments on the Land of existing improvements located on adjoining land.
3. Rights or claims of parties in possession.
4. Construction, Mechanic's, Contractors' or Materialmen's lien claims, if any, where no notice thereof appears of record.
5. Easements or claims of easements not shown by the public records.
6. General or special taxes and assessments required to be paid in the year 2012 and subsequent years.
7. Any lien provided by County Ordinance or by Ch. 159, F.S., in favor of any city, town, village or port authority, for unpaid service charges for services by any water systems, sewer systems or gas systems serving the land described herein; and any lien for waste fees in favor of any county or municipality.
8. All matters contained on the Plat of the City of Bushnell, Florida A/K/A The New Plat of Bushnell, as recorded in Plat Book 1, Page 79.
9. Sumter County Resolution recorded in O.R. Book 363, Page 102.
10. Grant of Utility Easement in favor of the City of Bushnell recorded in O.R. Book 363, Page 578. (Parcel 1)
11. Grant of Utility Easement in favor of the City of Bushnell recorded in O.R. Book 934, Page 387. (Parcel 1)
12. Rights of tenants in possession, as tenants only, under any unrecorded lease(s).

Note: Taxes for the year 2012 became a lien on the land January 1st although not due or payable until November 1st of said year. Taxes for the year 2011 are Paid. Tax ID Number N161237 & N16A240.

**EXHIBIT A**

**Parcel 1:**

**Begin at a point 64.0 feet South of the Northwest corner of Block 72, of the City of Bushnell, Florida A/K/A The New Plat of Bushnell, according to the plat thereof recorded in Plat Book 1, Page 79, of the Public Records of Sumter County, Florida, thence run South 50.0 feet, thence run East 100.0 feet, thence North run 50.0 feet, thence run West 100.0 feet to the Point of Beginning.**

**Parcel 2:**

**Begin at a point 114.0 feet South of the Northwest corner of Block 72, of the City of Bushnell, Florida A/K/A The New Plat of Bushnell, according to the plat thereof recorded in Plat Book 1, Page 79, of the Public Records of Sumter County, Florida, thence run South 96.0 feet to the South line of said Block 72, thence run East 65.0 feet, thence run North 96.0 feet, thence run West 65.0 feet to the Point of Beginning.**

18:50 R.C  
2226.00 DOC  
2244.50

TOTAL CONSIDERATION = **\$318,000.00**  
THIS INSTRUMENT PREPARED BY AND RETURN TO:  
DEBORAH HOGAN, ESQ.  
THE HOGAN LAW FIRM, LLC  
20 S. Broad Street  
Post Office Box 485  
Brooksville, Florida 34605-0485  
(352) 799-8423

Inst:201260021590 Date:7/11/2012 Time:4:19 PM  
Doc Stamp-Deed:2226.00  
DC, Gloria R. Hayward, Sumter County Page 1 of 2 B:2470 P:621

Parcel I.D.#:N16A237 and N16A240

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

### WARRANTY DEED

This Warranty Deed made this 12<sup>th</sup> day of July, 2012, by and between LAKE-SUMTER PROPERTIES, INC., a Florida Profit Corporation, whose mailing address is 218 N. Florida St. , Suite 2, Bushnell, FL 33513, hereinafter "**Grantor;**" and SUMTER COUNTY , a political subdivision of the State of Florida, whose mailing address is 7375 Powell Road Wildwood, Florida, 34795, hereinafter "**Grantee.**"

WITNESSETH, that said grantor, for and in consideration of the sum of **THREE HUNDRED EIGHTEEN THOUSAND AND NO/100 DOLLARS (\$318,000.00)** and other good and valuable consideration to said grantor in hand paid by said grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to the said grantee, and grantee's heirs and assigns forever, the following described land, situate, lying and being in **Sumter County, Florida** to-wit:

**Parcel 1:**

**Begin at a point 64.0 feet South of the Northwest corner of Block 72, of the City of Bushnell, Florida A/K/A The New Plat of Bushnell, according to the plat thereof recorded in Plat Book 1, Page 79, of the Public Records of Sumter County, Florida, thence run South 50.0 feet, thence run East 100.0 feet, thence North run 50.0 feet, thence run West 100.0 feet to the Point of Beginning.**

**Parcel 2:**

**Begin at a point 114.0 feet South of the Northwest corner of Block 72, of the City of Bushnell, Florida A/K/A The New Plat of Bushnell, according to the plat thereof recorded in Plat Book 1, Page 79, of the Public Records of Sumter County, Florida, thence run South 96.0 feet to the South line of said Block 72, thence run East 65.0 feet, thence run North 96.0 feet, thence run West 65.0 feet to the Point of Beginning.**

**THIS PROPERTY IS NOT THE HOMESTEAD OF THE GRANTOR.**

**TO HAVE AND TO HOLD,** the same in fee simple forever.

{00341617}



**OWNER'S POLICY OF TITLE INSURANCE** (with Florida Modifications)

Policy Number **OXFL-08098907**

Issued by Old Republic National Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

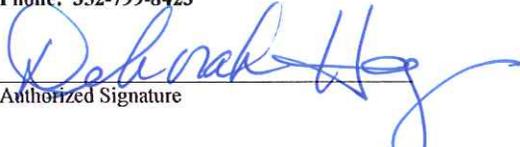
**COVERED RISKS**

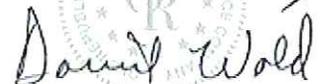
SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation (the "Company") insures, as of Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from:
  - (a) A defect in the Title caused by
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
  - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to:
  - (a) the occupancy, use, or enjoyment of the Land;
  - (b) the character, dimensions, or location of any improvement erected on the Land;
  - (c) the subdivision of land; or
  - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.

Issued through the Office of:  
**HOGAN LAW FIRM**  
20 SOUTH BROAD STREET  
BROOKSVILLE, FL 34601  
Phone: 352-799-8423

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**  
A Stock Company  
400 Second Avenue South, Minneapolis, Minnesota 55401  
(612) 371-1111

  
Authorized Signature

By  President  
Attest  Secretary

6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
  - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
  - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
    - (i) to be timely, or
    - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.

10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

#### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
    - (i) the occupancy, use, or enjoyment of the Land;
    - (ii) the character, dimensions, or location of any improvement erected on the Land;
    - (iii) the subdivision of land; or
    - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
  - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
  3. Defects, liens, encumbrances, adverse claims, or other matters
    - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
    - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
    - (c) resulting in no loss or damage to the Insured Claimant;
    - (d) attaching or created subsequent to Date of Policy or
    - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
  4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
    - (a) a fraudulent conveyance or fraudulent transfer; or
    - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
  5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

#### CONDITIONS

##### 1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
  - (i) The term "Insured" also includes
    - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
    - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
    - (C) successors to an Insured by its conversion to another kind of Entity;
    - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
      - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
      - (2) if the grantee wholly owns the named Insured,
      - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
      - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
  - (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "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 insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.-

##### 2. CONTINUATION OF INSURANCE

- (a) The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in

the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

### 4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

### 5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.
- (c) Whenever the Insured brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

### 6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

### 7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.  
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.  
Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
  - (i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
  - (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

### 8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
  - (i) the Amount of Insurance; or
  - (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
  - (i) the Amount of Insurance shall be increased by 10%, and
  - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

**9. LIMITATION OF LIABILITY**

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

**10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

**11. LIABILITY NONCUMULATIVE**

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

**12. PAYMENT OF LOSS**

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

**13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT**

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

**14. ARBITRATION**

Unless prohibited by applicable law, arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association may be demanded if agreed to by both the Company and the Insured at the time of a controversy or claim. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, and service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorney's fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

**15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT**

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim whether or not based on negligence shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

**16. SEVERABILITY**

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

**17. CHOICE OF LAW; FORUM**

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

**18. NOTICES, WHERE SENT**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 400 Second Avenue South, Minneapolis, Minnesota 55401-2499.



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**SCHEDULE A**

Name and Address of Title Insurance Company:  
**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**  
400 Second Avenue South  
Minneapolis, MN 55401-2499

ORT File No.: 12051583

Policy Number: OXFL-08098907

Agent File No.: 12-123

Address Reference: FL

Amount of Insurance: \$318,000.00

Premium: \$

Date of Policy: July 11, 2012 at 4:19 pm

1. Name of Insured:

SUMTER COUNTY, a political subdivision of the State of Florida

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple

3. Title is vested in:

SUMTER COUNTY, a political subdivision of the State of Florida

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

See Attached Legal Description

## SCHEDULE B

### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes: encroachments of existing improvements located on the Land onto adjoining land, and encroachments on the Land of existing improvements located on adjoining land.
2. Rights or claims of parties in possession.
3. Construction, Mechanic's, Contractor's or Materialmen's lien claims, if any, where no notice thereof appears of record.
4. Easements or claims of easements not shown by the public records.
5. General or special taxes and assessments required to be paid in the year 2012, and subsequent years, which are not yet due and payable.
6. Any lien provided by County Ordinance or by Ch. 159, F.S., in favor of any city, town, village or port authority, for unpaid service charges for services by any water systems, sewer systems or gas systems serving the land described herein; and any lien for waste fees in favor of any county or municipality.
7. All matters contained on the Plat of the City of Bushnell, Florida A/K/A The New Plat of Bushnell, as recorded in Plat Book 1, Page 79.
8. Sumter County Resolution recorded in O.R. Book 363, Page 102.
9. Grant of Utility Easement in favor of the City of Bushnell recorded in O.R. Book 363, Page 578. (Parcel 1)
10. Grant of Utility Easement in favor of the City of Bushnell recorded in O.R. Book 934, Page 387. (Parcel 1)
11. Rights of tenants in possession, as tenants only, under any unrecorded lease(s).

**NOTE:** All recording references in this policy shall refer to the Public Records of Sumter County, unless otherwise noted.

**EXHIBIT A**

Parcel 1:

Begin at a point 64.0 feet South of the Northwest corner of Block 72, of the City of Bushnell, Florida A/K/A The New Plat of Bushnell, according to the plat thereof recorded in Plat Book 1, Page 79, of the Public Records of Sumter County, Florida, thence run South 50.0 feet, thence run East 100.0 feet, thence North run 50.0 feet, thence run West 100.0 feet to the Point of Beginning.

Parcel 2:

Begin at a point 114.0 feet South of the Northwest corner of Block 72, of the City of Bushnell, Florida A/K/A The New Plat of Bushnell, according to the plat thereof recorded in Plat Book 1, Page 79, of the Public Records of Sumter County, Florida, thence run South 96.0 feet to the South line of said Block 72, thence run East 65.0 feet, thence run North 96.0 feet, thence run West 65.0 feet to the Point of Beginning.