

AN EMERGENCY ORDINANCE OF THE CITY OF NEVADA MISSOURI APPROVING AN AGREEMENT ADDRESSING TRANSFER OF TITLE TO REAL ESTATE IN THE CENTRAL BUSINESS DISTRICT TO THE CITY OF NEVADA, MISSOURI AND MUTUAL RELEASE AND SETTLEMENT OF ALL CLAIMS OF THE PARTIES ATTENDING THE TRANSFER AND DEMOLITION OF THE DANGEROUS STRUCTURE THEREON.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, MISSOURI THAT:

Section 1. The Settlement Agreement and Mutual Release attached hereto as Exhibit A is approved as an obligation of the City of Nevada, Missouri.

Section 2. The City Manager is authorized and directed to execute the same in behalf of the City of Nevada, Missouri, and the City Clerk is authorized to attest the same and to affix the city seal.

Section 3. The City Manager is authorized and directed to close the sale with assistance of Bowman Title Company and to pay the customary and agreed closing costs and fees. The City Manager and City Clerk are authorized and directed to execute and attest the closing documents.

Section 4. This Ordinance is an emergency ordinance by reason of the desirability of obtaining all signatures and documents necessary to conclude potential litigation promptly without inordinate delay.

PASSED, APPROVED and ADOPTED by the City Council of the City of Nevada, Missouri, this 15th day of June 2021.



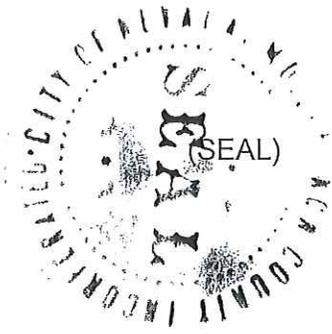
CITY OF NEVADA, MISSOURI

By: George Knox
George Knox, Mayor

Michele Bailey
Michele Bailey, City Clerk

CERTIFICATION

I, the undersigned Clerk of the City of Nevada, Missouri, hereby certify that the above and foregoing Ordinance is a true and correct copy of the Ordinance adopted by the City Council of the City of Nevada, Missouri, as the same appears of record in my office and that the same has not been amended or repealed as of the 15th day of June 2021.



Michele Bailey
Michele Bailey, City Clerk

GENERAL WARRANTY DEED

This deed is made and entered into this 25th day of June, 2021, by and between Roy E. Taylor, a widower by the death of his wife, Joy A. Taylor, from whom he was never divorced, not having since his death remarried, "**Grantor**" and The City of Nevada, Missouri, "**Grantee**",

CONVEYANCE:

WITNESSETH, that the said Grantor, in consideration of the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, to him paid by the said Grantee, the receipt and adequacy of which is hereby acknowledged, does by the presents GRANT, BARGAIN AND SELL, CONVEY AND CONFIRM unto the said Grantee, and unto its successors and assigns, the following described lots, tracts or parcels of land, lying, being and situate in the County of Vernon and State of Missouri, to-wit:

LEGAL DESCRIPTION:

Tract 1: The South Half (S1/2) of the North Half (N1/2) of the West Half (W1/2) of Lot One (1) in Block Four (4), of the Original Town (now City) of Nevada, Missouri. Subject to any part lying in the public road, and subject to any easements, reservations and restrictions affecting subject property.

AND

Tract 2: All the South 60 feet of the West 20 feet of the East Half (E 1/2) of Lot One (1) in Block Four (4) of the Original Town (now City) of Nevada, Missouri.

AND

Legal description continues on following page.

Tract 3: All of the South Half of the West Half of Lot One (1) in Block four (4) of the Original Town (now City) of Nevada, Missouri.

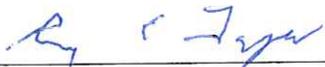
Subject to taxes assessed for 2021 (the city will impose immunity under Article X, Section 6 of the Missouri Constitution – See Smith v. Pleasant View Reorganized School, 375 S.W., 2d 84 [Mo. Banc 1964]).

The property is subject to the document regarding the use and enjoyment of walls dated August 28, 1883 recorded at book 28, page 343 in the office of the recorder for Vernon County, Missouri.

The property is subject to easements of record and the ordinances of The City of Nevada, Missouri.

TO HAVE AND TO HOLD, the premises aforesaid, with all singular, the rights, privileges, appurtenances and immunities thereto belonging, or in any wise appertaining, unto the said GRANTEE, and unto its successors and assigns forever; the said GRANTOR hereby covenanting that he is lawfully seized of an indefeasible estate in fee in the premises herein conveyed; that he has good right to convey the same; that the said premises are free and clear of any encumbrances done or suffered by them, or those under whom he claims; and that he will warrant and defend the title to the said premises unto the said GRANTEE, and unto its successors and assigns forever, against the lawful claims and demands of all persons whomsoever, taxes are paid by Grantor through and including 2020.

IN WITNESS WHEREOF, the said GRANTOR has hereunto set his hand the day and year first above written.



Roy E. Taylor, a single person

ACKNOWLEDGEMENT

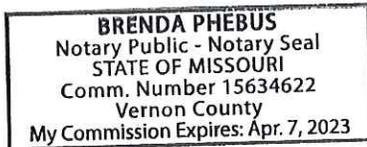
STATE OF MISSOURI)
) ss.
COUNTY OF VERNON)

Now, on this 25th day of June, 2021, before me personally appeared Roy E. Taylor, a

widower by the death of his wife, Joy A. Taylor, not having since her death remarried, known to me to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as is free act and deed. And the said Roy E. Taylor further declared himself to be a single person.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Vernon County, Missouri, the day and year first above written.

(SEAL)



Notary Public, State of Missouri

SETTLEMENT AGREEMENT AND RELEASE

Central Business District Collapsed Structure

This Settlement Agreement and Release is made and entered into to be effective on the date all parties have signed and the contract has been approved by special ordinance of the City Council of the City of Nevada, Missouri, by between the City of Nevada, Missouri, hereafter called City, and Roy Taylor, a widower, of Vernon County, Missouri, hereafter called Owner,

Witnesseth,

That Whereas, Owner's uninsured buildings, hereafter described, at 104 North Cedar, Nevada, Missouri, deteriorated, were condemned by the City, and thereafter partially collapsed, and a standing structural of three stories constituted a danger to the public and rendered essential use of the adjacent thorough fares of the city temporarily unusable and became a public nuisance, and

Whereas, the City has properly exercised its emergency authority to arrange for the wrecking to the ground of the dangerous still-standing three-story portions of the structures;

And Whereas, the parties wish to provide for the conclusion of cleanup responsibilities of the debris and to provide for final settlement and release of all potential claims, between the parties, to the end that the costs, delays and uncertainties of litigation might be avoided,

Now Therefore, it is mutually agreed that:

1a. **Agreement to convey Marketable Title.** As part of this settlement agreement, Owner agrees to convey title, insurable as marketable in fact, to the City the following described property in Vernon County, Missouri, including all rights in property at this location owned by owner, constituting all real estate at this location in which owner has any right, title or interest, free and clear of all encumbrances:

Tract 1: The South Half (S1/2) of the North Half (N1/2) of the West Half (W1/2) of Lot One (1) in Block Four (4), of the Original Town (now City) of Nevada, Missouri. Subject to any part lying in the public road, and subject to any easements, reservations and restrictions affecting subject property.

AND

Tract 2: All the South 60 feet of the West 20 feet of the East Half (E 1/2) of Lot One (1) in Block Four (4) of the Original Town (now City) of Nevada, Missouri.

AND

Tract 3: All of the South Half of the West Half of Lot One (1) in Block four (4) of the Original Town (now City) of Nevada, Missouri

Subject to taxes assessed for 2021 (the city will impose immunity under Article X, Section 6 of the Missouri Constitution – See *Smith v. Pleasant View Reorganized School*, 375 S.W., 2d 84 [Mo. Banc 1964]).

The property is subject to the document regarding the use and enjoyment of walls dated August 28, 1883 recorded at book 28, page 343 in the office of the recorder for Vernon County, Missouri.

The property is subject to easements of record and the ordinances of The City of Nevada, Missouri.

Owner warrants that the legal description includes all property and rights in property owned by owner at this location.

1b. **Agreement to pay the City \$20,000 in Cash.** In addition, Owner will escrow the deed to be paid to the city on closing, the sum of \$20,000 as additional consideration for this settlement agreement, (the cash to be applied to reimbursement of a share of the demolition costs incurred by the city).

2. **Consideration.** The mutual promises herein, the conveyance contemplated by this contract, and payment of \$20,000, is mutually acceptable consideration provided by owner for the release of all claims of the city that exist or might exist which city could assert against owner arising out of expenses incurred by the City by reason of demolition, debris removal, and site clean-up associated with the property herein conveyed. The property conveyed is mutually believed to have a post clean-up appraised fair market value of at least \$38,000 verified by an appraisal of a certified General Appraiser, R. J. Wood, independently acquired by the City. Claims the City might exert against owner for reimbursement of costs incurred in demolition, debris removal and site clean-up are released to the end that the City might have the option of developing this significant location into a site beneficial to use by the public and a credit to the community. Obligation of owner as to claims of or to third parties, if any, as the same may or may not exist, are not impacted, altered, assumed, or otherwise addressed by this agreement. Should incomplete or unforeseen cleanup costs be incurred by the city, those costs will be the obligation of the City.

3. **Title Search.** The City has acquired a title search from Bowman's Vernon County Title Company of Nevada, MO and is satisfied that marketable title is available for conveyance to the City subject only to the exceptions and cautionary remarks reflected on Exhibit B to the title search obtained in behalf of the City, a copy of which is attached hereto and incorporated herein by reference. Owner warrants he has and will refrain from any act or omission that hereafter might render title conveyed unmarketable.

4. **Real Estate Taxes.** The parties are advised taxes for 2020 and prior years are paid. Although Taxes for 2021 against the property have been assessed, the City will claim immunity to any measure by which collection could be coerced under Article X, Section 6, of the Missouri Constitution. See Smith v. Pleasant View Reorganized School, 375 S.W. 2d 84 (Mo banc, 1964). Grantor does not warrant payment of the 2021 taxes assessed.

5. **Conveyance – Brokerage Fees.** Conveyance will be by Warranty Deed executed and delivered at closing, a copy of which, approved by the title company, is attached hereto and incorporated herein by reference. There are no brokerage fees associated with this transaction.

6. **Date of Closing.** Closing will be held as scheduled by Bowman's Vernon County Title Company. The parties anticipate closing will be held on or before July 12, 2021, at 2:00 o'clock 9 p.m., or at an alternate date if required by the closing agent by reason of conflict.

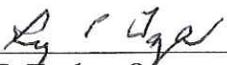
7. **Recording, Title Search, Title Insurance and Closing Fees.** Recording costs, the costs for the title search, the cost for owner's title insurance, and the cost for closing fees will be paid by the City. The City attorney has provided the contract necessary ordinance and warranty deed to facilitate closing at city cost.

8. **Integration.** This agreement is not subject to any contingencies or other conditions, reservations or exceptions except as stated herein and is subject to prior approval and ratification by the city council of the city of Nevada, Missouri.

9. **Mutual Final Settlement and Release.** This closing of this contract constitutes upon closing a final mutual settlement and release of all claims either party might assert against the concluding all claims which that exist or might exist which either could assert against owner arising the other including expenses incurred by the City by reason of demolition, debris removal, and site clean-up associated with the property herein conveyed and any claims of Owner associated in any way therewith. The settlement and release survives the closing.

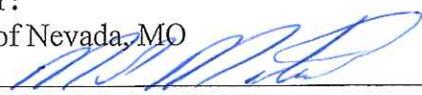
IN WITNESS WHEREOF, the parties have executed this agreement effective the date and year following execution when approved by the city council of Nevada, Missouri.

OWNER:



Roy E. Taylor, Owner

CITY:

City of Nevada, MO
By: 

Mark Mitchell, City Manager

AN EMERGENCY ORDINANCE OF THE CITY OF NEVADA MISSOURI APPROVING AN AGREEMENT ADDRESSING TRANSFER OF TITLE TO REAL ESTATE IN THE CENTRAL BUSINESS DISTRICT TO THE CITY OF NEVADA, MISSOURI AND MUTUAL RELEASE AND SETTLEMENT OF ALL CLAIMS OF THE PARTIES ATTENDING THE TRANSFER AND DEMOLITION OF THE DANGEROUS STRUCTURE THEREON.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, MISSOURI THAT:

Section 1. The Settlement Agreement and Mutual Release attached hereto as Exhibit A is approved as an obligation of the City of Nevada, Missouri.

Section 2. The City Manager is authorized and directed to execute the same in behalf of the City of Nevada, Missouri, and the City Clerk is authorized to attest the same and to affix the city seal.

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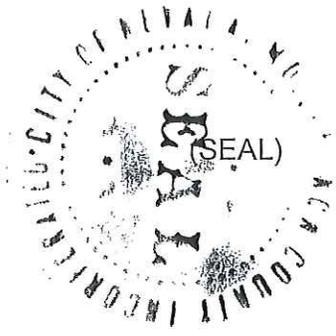


CITY OF NEVADA, MISSOURI
By: George Knox
George Knox, Mayor

Michele Bailey
Michele Bailey, City Clerk

CERTIFICATION

I, the undersigned Clerk of the City of Nevada, Missouri, hereby certify that the above and foregoing Ordinance is a true and correct copy of the Ordinance adopted by the City Council of the City of Nevada, Missouri, as the same appears of record in my office and that the same has not been amended or repealed as of the 15th day of June 2021.



Michele Bailey
Michele Bailey, City Clerk

GENERAL WARRANTY DEED

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CONVEYANCE:

WITNESSETH, that the said Grantor, in consideration of the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, to him paid by the said Grantee, the receipt and adequacy of which is hereby acknowledged, does by the presents GRANT, BARGAIN AND SELL, CONVEY AND CONFIRM unto the said Grantee, and unto its successors and assigns, the following described lots, tracts or parcels of land, lying, being and situate in the County of Vernon and State of Missouri, to-wit:

LEGAL DESCRIPTION:

Tract 1: The South Half (S1/2) of the North Half (N1/2) of the West Half (W1/2) of Lot One (1) in Block Four (4), of the Original Town (now City) of Nevada, Missouri. Subject to any part lying in the public road, and subject to any easements, reservations and restrictions affecting subject property.

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IN WITNESS WHEREOF, the said GRANTOR has hereunto set his hand the day and year first above written.



Roy E. Taylor, a single person

ACKNOWLEDGEMENT

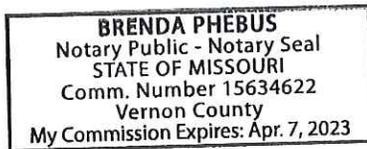
STATE OF MISSOURI)
) ss.
COUNTY OF VERNON)

Now, on this 25th day of June, 2021, before me personally appeared Roy E. Taylor, a

widower by the death of his wife, Joy A. Taylor, not having since her death remarried, known to me to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as is free act and deed. And the said Roy E. Taylor further declared himself to be a single person.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Vernon County, Missouri, the day and year first above written.

(SEAL)



Notary Public, State of Missouri

SETTLEMENT AGREEMENT AND RELEASE

Central Business District Collapsed Structure

This Settlement Agreement and Release is made and entered into to be effective on the date all parties have signed and the contract has been approved by special ordinance of the City Council of the City of Nevada, Missouri, by between the City of Nevada, Missouri, hereafter called City, and Roy Taylor, a widower, of Vernon County, Missouri, hereafter called Owner,

Witnesseth,

That Whereas, Owner's uninsured buildings, hereafter described, at 104 North Cedar, Nevada, Missouri, deteriorated, were condemned by the City, and thereafter partially collapsed, and a standing structural of three stories constituted a danger to the public and rendered essential use of the adjacent thorough fares of the city temporarily unusable and became a public nuisance, and

Whereas, the City has properly exercised its emergency authority to arrange for the wrecking to the ground of the dangerous still-standing three-story portions of the structures;

And Whereas, the parties wish to provide for the conclusion of cleanup responsibilities of the debris and to provide for final settlement and release of all potential claims, between the parties, to the end that the costs, delays and uncertainties of litigation might be avoided,

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2. **Consideration.** The mutual promises herein, the conveyance contemplated by this contract, and payment of \$20,000, is mutually acceptable consideration provided by owner for the release of all claims of the city that exist or might exist which city could assert against owner arising out of expenses incurred by the City by reason of demolition, debris removal, and site clean-up associated with the property herein conveyed. The property conveyed is mutually believed to have a post clean-up appraised fair market value of at least \$38,000 verified by an appraisal of a certified General Appraiser, R. J. Wood, independently acquired by the City. Claims the City might exert against owner for reimbursement of costs incurred in demolition, debris removal and site clean-up are released to the end that the City might have the option of developing this significant location into a site beneficial to use by the public and a credit to the community. Obligation of owner as to claims of or to third parties, if any, as the same may or may not exist, are not impacted, altered, assumed, or otherwise addressed by this agreement. Should incomplete or unforeseen cleanup costs be incurred by the city, those costs will be the obligation of the City.

3. **Title Search.** The City has acquired a title search from Bowman's Vernon County Title Company of Nevada, MO and is satisfied that marketable title is available for conveyance to the City subject only to the exceptions and cautionary remarks reflected on Exhibit B to the title search obtained in behalf of the City, a copy of which is attached hereto and incorporated herein by reference. Owner warrants he has and will refrain from any act or omission that hereafter might render title conveyed unmarketable.

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5. **Conveyance – Brokerage Fees.** Conveyance will be by Warranty Deed executed and delivered at closing, a copy of which, approved by the title company, is attached hereto and incorporated herein by reference. There are no brokerage fees associated with this transaction.

6. **Date of Closing.** Closing will be held as scheduled by Bowman's Vernon County Title Company. The parties anticipate closing will be held on or before July 12, 2021, at 2:00 o'clock p.m., or at an alternate date if required by the closing agent by reason of conflict.

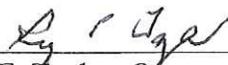
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8. **Integration.** This agreement is not subject to any contingencies or other conditions, reservations or exceptions except as stated herein and is subject to prior approval and ratification by the city council of the city of Nevada, Missouri.

9. **Mutual Final Settlement and Release.** This closing of this contract constitutes upon closing a final mutual settlement and release of all claims either party might assert against the concluding all claims which that exist or might exist which either could assert against owner arising the other including expenses incurred by the City by reason of demolition, debris removal, and site clean-up associated with the property herein conveyed and any claims of Owner associated in any way therewith. The settlement and release survives the closing.

IN WITNESS WHEREOF, the parties have executed this agreement effective the date and year following execution when approved by the city council of Nevada, Missouri.

OWNER:



Roy E. Taylor, Owner

CITY:

City of Nevada, MO
By: 

Mark Mitchell, City Manager

BOWMAN'S VERNON COUNTY TITLE CO.
 119 W. WALNUT STREET, NEVADA, MO 64772
 TEL: (417) 667-7565 • FAX: (417) 667-7995

File No./Escrow No.: 2101023F
 Print Date & Time: 07/12/2021 09:33 AM
 Officer/Escrow Officer: Brenda Phebus
 Settlement Location: 119 E. Walnut Street, Nevada, MO 64772

Property Address: 101 E. Cherry St. & 104 N. Cedar St., Nevada, MO 64772
 Buyer: City of Nevada, Missouri
 Seller: Roy E. Taylor
 Lender:

Settlement Date: 07/12/2021
 Closing (Consummation) Date:
 Disbursement Date: 07/12/2021

Description	Borrower/Buyer	
	Debit	Credit
Financial		
Sales Price of Property	38,000.00	
Prorations/Adjustments		
Clean-up		20,000.00
Title Charges & Escrow/Settlement Charges		
Escrow Fee: Bowman's Vernon County Title Co.	300.00	

Description	Borrower/Buyer	
	Debit	Credit
Owner's Premium for 38,000.00: FIRST AMERICAN TITLE INSURANCE COMPANY	54.00	
Title Exam Fee: Bowman's Vernon County Title Co. Title Commitment	300.00	
Government Recording and Transfer Charges		
Deed Recording Fee: Vernon County Recorder of Deeds	27.00	
Miscellaneous		
Appraised Value Of Property: .		38,000.00
	Debit	Credit
Subtotals	38,681.00	58,000.00
Due To Borrower	19,319.00	
Totals	58,000.00	58,000.00

Acknowledgement

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize the Bowman's Vernon County Title Co. to cause the funds to be disbursed in accordance with this statement.

City of Nevada, Missouri

Mark Mitchell, Agent



Brenda Phebus, Escrow Officer

 First American Title™	ALTA Commitment for Title Insurance
	ISSUED BY First American Title Insurance Company
Schedule A	

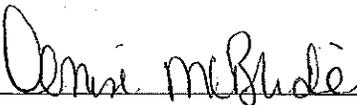
Transaction Identification Data for reference only:

Issuing Agent: **Bowman's Vernon County Title Co.** Issuing Office: **119 E. Walnut Street Nevada, MO 64772**
ALTA® Universal ID: **0001707** Loan ID No.:
Commitment No.: **2101023F** Issuing Office File No.: **2101023F**
Property Address: **101 E. Cherry St. & 104 N. Cedar St., Nevada, MO 64772**
Revision No.: **1**

SCHEDULE A

1. Commitment Date: **July 6, 2021 at 8:30 a.m.**
2. Policy to be issued:
 - (a) **ALTA® Owner's Policy (06-17-06)**
Proposed Insured: **City of Nevada, Missouri**
Proposed Policy Amount: **\$ 38,000.00**
 - (b) **ALTA® Loan Policy (06-16-06)**
Proposed Insured:
Proposed Policy Amount: **\$**
 - (c) **ALTA® Policy**
Proposed Insured:
Proposed Policy Amount: **\$**
3. The estate or interest in the Land described or referred to in this Commitment is **Fee Simple**
4. Title to the **Fee** estate or interest in the Land is at the Commitment Date vested in:
Roy E. Taylor and Joy A. Taylor, husband and wife
The Land is described as follows:
See Schedule "A" (Cont'd) for Legal Description

FIRST AMERICAN TITLE INSURANCE COMPANY

By: 

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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 First American Title™	ALTA Commitment for Title Insurance
	ISSUED BY First American Title Insurance Company
Schedule A (cont'd)	

LEGAL DESCRIPTION

Tract 1:

The South half (S ½) of the North half (N ½) of the West half (W ½) of Lot One (1) in Block Four (4), of the Original Town (now City) of Nevada, Vernon County, Missouri.

Tract 2:

All the South Sixty (60) feet of the West Twenty (20) feet of the East half (E ½) of Lot One (1) in Block Four (4) of the Original Town (now City) of Nevada, Vernon County, Missouri.

Tract 3:

The South half (S ½) of the West half (W ½) of Lot One (1) of Block Four (4) of the Original Town, now City of Nevada, Vernon County, Missouri.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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 First American Title™	ALTA Commitment for Title Insurance
	ISSUED BY First American Title Insurance Company
Schedule BI	

File No. 2101023F

**SCHEDULE B, PART I
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.
5. A proper Deed of Conveyance executed by **Roy E. Taylor and spouse if any**, conveying the fee simple title to subject property to **City of Nevada, Missouri**.
6. Provide this Company with a properly executed and completed Owner's Affidavit.

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 First American Title™	ALTA Commitment for Title Insurance
	ISSUED BY First American Title Insurance Company
Schedule BII	

File No. 2101023F

SCHEDULE B, PART II - 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 I—Requirements are met.
2. Rights or claims of parties in possession not shown by the Public Records.
3. Easements, or claims of easements, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation or adverse circumstances affecting Title that would be disclosed by an accurate and complete survey of the Land or that could be ascertained by an inspection of the Land.
5. Any lien, or right to lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
6. Taxes, or special assessments, if any, not shown as existing liens by the Public Records.
7. The lien of the General Taxes for the year 2021 and thereafter.
8. **County real estate taxes for 2020 and prior years are paid. The following tax figures are for information purposes only, and no liability for correctness of same is assumed:**

(CONTINUED)

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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 First American Title™	ALTA Commitment for Title Insurance
	ISSUED BY First American Title Insurance Company
Schedule BII	

File No. 2101023F

SCHEDULE B, PART II (cont'd)

Exceptions

9. Zoning Ordinance to the City of Nevada, Missouri dated June 15, 1965 and recorded February 2, 1968 in Book 298 at Page 119 in the Recorder's Office, Vernon County, Missouri. (Tracts 1, 2 & 3)
10. Easement originally in favor of Citizens State Bank of Nevada and their predecessors in title for use of the South forty feet of the West wall of building on subject property dated August 28, 1883 and recorded in Book 28 at Page 343 in the Recorder's Office, Vernon County, Missouri. (Tract 2)
11. Sewer Line Easement in favor of the City of Nevada dated September 11, 1978 and recorded November 14, 1978 in Book 336 at Page 89 in the Recorder's Office, Vernon County, Missouri. (Tract 2)
12. Lot lines, setback lines, streets, easements and other servitudes shown on the Plat of Original Town Nevada to the City of Nevada, Vernon County, Missouri, dated May 22, 1857 and recorded May 22, 1857 in Plat Book F at Page 373 in the Recorder's Office, Vernon County, Missouri. (Tracts 1, 2 & 3)
13. The interest of adjoining owners to any party walls. (Tracts 1, 2 & 3)

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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BOWMAN'S VERNON CO E WalnutUNTY TITLE CO.

PRIVACY POLICY NOTICE Purpose of This Notice

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Bowman's Vernon County Title Company.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms
- Information about your transactions we secure from our files, or from our affiliates or others
- Information we receive from a consumer reporting agency
- Information that we receive from others involved in your transaction, such as the real estate agent or lender

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

119 E WALNUT- NEVADA, MO 64772
PHONE: 417-667-7565 • FAX: 417-667-7995
EMAIL: CLOSINGS@BOWMANSTITLE.COM
WEB SITE: BOWMANSTITLE.COM

BOWMAN'S VERNON COUNTY TITLE CO

119 E. Walnut, Nevada, MO 64772

Phone: 417-667-7565

July 27, 2021

City of Nevada, Missouri
110 South Ash
Nevada, MO 64772

SUBJECT: Title Insurance Policy – File No. 2101023F
Recorded Deed in Book **2021** at Page **2106**

Dear **City of Nevada, Missouri**

Enclosed is your Final Title Insurance Policy and Warranty Deed, as ordered on your recent real estate transaction. These papers complete the documents regarding your purchase.

We appreciate you allowing us to serve you in this transaction. We hope you will allow us to help you every time you have any title work done in Vernon County, Missouri.

Thank You,



Gloria Latta
Bowman's Vernon County Title Co.

Enclosures

Recorded in Vernon County, Missouri



Recording Date/Time: 07/12/2021 at 03:28:43 PM

Book: 2021 Page: 2106

Instr #: 2021R02125

Pages: 3

Fee: \$30.00 S 20210001934

BOWMANS TITLE CO



x

GENERAL WARRANTY DEED

This deed is made and entered into this 25th day of June, 2021, by and between Roy E. Taylor, a widower by the death of his wife, Joy A. Taylor, from whom he was never divorced, not having since his death remarried, "**Grantor**" and The City of Nevada, Missouri, "**Grantee**",

CONVEYANCE:

WITNESSETH, that the said Grantor, in consideration of the sum of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, to him paid by the said Grantee, the receipt and adequacy of which is hereby acknowledged, does by the presents GRANT, BARGAIN AND SELL, CONVEY AND CONFIRM unto the said Grantee, and unto its successors and assigns, the following described lots, tracts or parcels of land, lying, being and situate in the County of Vernon and State of Missouri, to-wit:

LEGAL DESCRIPTION:

Tract 1: The South Half (S1/2) of the North Half (N1/2) of the West Half (W1/2) of Lot One (1) in Block Four (4), of the Original Town (now City) of Nevada, Missouri. Subject to any part lying in the public road, and subject to any easements, reservations and restrictions affecting subject property.

AND

Tract 2: All the South 60 feet of the West 20 feet of the East Half (E 1/2) of Lot One (1) in Block Four (4) of the Original Town (now City) of Nevada, Missouri.

AND

Legal description continues on following page.

Tract 3: All of the South Half of the West Half of Lot One (1) in Block four (4) of the Original Town (now City) of Nevada, Missouri.

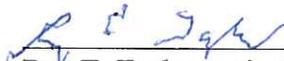
Subject to taxes assessed for 2021 (the city will impose immunity under Article X, Section 6 of the Missouri Constitution – See Smith v. Pleasant View Reorganized School, 375 S.W., 2d 84 [Mo. Banc 1964]).

The property is subject to the document regarding the use and enjoyment of walls dated August 28, 1883 recorded at book 28, page 343 in the office of the recorder for Vernon County, Missouri.

The property is subject to easements of record and the ordinances of The City of Nevada, Missouri.

TO HAVE AND TO HOLD, the premises aforesaid, with all singular, the rights, privileges, appurtenances and immunities thereto belonging, or in any wise appertaining, unto the said GRANTEE, and unto its successors and assigns forever; the said GRANTOR hereby covenanting that he is lawfully seized of an indefeasible estate in fee in the premises herein conveyed; that he has good right to convey the same; that the said premises are free and clear of any encumbrances done or suffered by them, or those under whom he claims; and that he will warrant and defend the title to the said premises unto the said GRANTEE, and unto its successors and assigns forever, against the lawful claims and demands of all persons whomsoever, taxes are paid by Grantor through and including 2020.

IN WITNESS WHEREOF, the said GRANTOR has hereunto set his hand the day and year first above written.



Roy E. Taylor, a single person

ACKNOWLEDGEMENT

STATE OF MISSOURI)
) ss.
COUNTY OF VERNON)

Now, on this 25th day of June, 2021, before me personally appeared Roy E. Taylor, a

widower by the death of his wife, Joy A. Taylor, not having since her death remarried, known to me to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as is free act and deed. And the said Roy E. Taylor further declared himself to be a single person.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Vernon County, Missouri, the day and year first above written.

(SEAL)

BRENDA PHEBUS
Notary Public - Notary Seal
STATE OF MISSOURI
Comm. Number 15634622
Vernon County
My Commission Expires: Apr. 7, 2023



Notary Public, State of Missouri

SCHEDULE A

**First American Title Insurance Company
1 First American Way, Santa Ana, CA 92707**

File No.: **2101023 F** Policy No.: **5011429-0220280e**
Address Reference: 101 E. Cherry & 104 N. Cedar, Nevada, MO. SI/M:
Amount of Insurance: **\$38,000.00**
Date of Policy: **July 12, 2021** Risk Rate: **\$54.00**

1. Name of Insured:

City of Nevada, Missouri

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

Fee Simple

3. Title is vested in:

City of Nevada, Missouri

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

Tract 1:

The South half (S ½) of the North half (N ½) of the West half (W ½) of Lot One (1) in Block Four (4), of the Original Town (now City) of Nevada, Vernon County, Missouri.

Tract 2:

All the South Sixty (60) feet of the West Twenty (20) feet of the East half (E ½) of Lot One (1) in Block Four (4) of the Original Town (now City) of Nevada, Vernon County, Missouri.

Tract 3:

The South half (S ½) of the West half (W ½) of Lot One (1) of Block Four (4) of the Original Town, now City of Nevada, Vernon County, Missouri.

SCHEDULE BFile No. **2101023 F**Policy No. **5011429-0220280e**
SI/M:**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. Right or claims of parties in possession not shown by the Public Records.
2. Easements, or claims of easements, not shown by the Public Records.
3. Any encroachment, encumbrance, violation, variation or adverse circumstances affecting Title that would be disclosed by an accurate and complete survey of the Land or that could be ascertained by an inspection of the Land.
4. Any lien, or right to lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by Public Records.
5. Taxes, or special assessments, if any, not shown as existing liens by the Public Records.
6. Parcel No. 18-2.0-04-304-000-070.000, 18-2.0-04-304-000-069.000: Taxes for 2021 and subsequent years.
7. Zoning Ordinance to the City of Nevada, Missouri dated June 15, 1965 and recorded February 2, 1968 in Book 298 at Page 119 in the Recorder's Office, Vernon County, Missouri. (Tracts 1, 2 & 3)
8. Easement originally in favor of Citizens State Bank of Nevada and their predecessors in title for use of the South forty feet of the West wall of building on subject property dated August 28, 1883 and recorded in Book 28 at Page 343 in the Recorder's Office, Vernon County, Missouri. (Tract 2)
9. Sewer Line Easement in favor of the City of Nevada dated September 11, 1978 and recorded November 14, 1978 in Book 336 at Page 89 in the Recorder's Office, Vernon County, Missouri. (Tract 2)
10. Lot lines, setback lines, streets, easements and other servitudes shown on the Plat of Original Town Nevada to the City of Nevada, Vernon County, Missouri, dated May 22, 1857 and recorded May 22, 1857 in Plat Book F at Page 373 in the Recorder's Office, Vernon County, Missouri. (Tracts 1, 2 & 3)
11. The interest of adjoining owners to any party walls. (Tracts 1, 2 & 3)



First American Title™

Owner's Policy of Title Insurance

ISSUED BY

First American Title Insurance Company

POLICY NUMBER

5011429-0220280e

Owner's Policy

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, FIRST AMERICAN TITLE INSURANCE COMPANY, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after 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.

(Covered Risks Continued on Page 2)

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be hereunto affixed by its authorized officers as of Date of Policy shown in Schedule A.

First American Title Insurance Company

Dennis J. Gilmore, President

Greg L. Smith, Secretary

For Reference:

File #: 2101023F

Issued By:

Bowman's Vernon County Title Company
119 E. Walnut Street
Nevada, MO 64772

(This Policy is valid only when Schedules A and B are attached)

This jacket was created electronically and constitutes an original document

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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 protection
 if 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.
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 (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); 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

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 Company 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.
- (iii) 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 (DOES NOT APPLY IN THE STATE OF MISSOURI)

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder

or consolidation with claims or controversies of other persons. 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, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. 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. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

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 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 **First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way, Santa Ana, California 92707. Phone: 888-632-1642.**