



**NAILAH K. BYRD**  
**CUYAHOGA COUNTY CLERK OF COURTS**  
1200 Ontario Street  
Cleveland, Ohio 44113

**Court of Common Pleas**

**New Case Electronically Filed:**  
**February 9, 2016 14:55**

By: JOSEPH GUTKOSKI 0086285

Confirmation Nbr. 665893

WOODS COVE III, LLC

CV 16 858732

vs.

WHITE HAWK PROPERTIES INCORPORATED, ET AL

**Judge:**

DEENA R. CALABRESE

**Pages Filed: 20**

IN THE COURT OF COMMON PLEAS  
CUYAHOGA COUNTY, OHIO  
Civil Division

WOODS COVE III, LLC  
1801 West Olympic Blvd, Box 1558  
Pasadena, CA 91199

*Plaintiff,*

v.

WHITE HAWK PROPERTIES  
INCORPORATED  
11710 Shaker Boulevard  
Cleveland, OH 44120

and

MARTIN D. RUDDOCK MD  
INCORPORATED PENSION PLAN  
11710 Shaker Boulevard  
Cleveland, OH 44120

also serve at:

12955 Aquilla Road  
Chardon, OH 44024

and

CUYAHOGA COUNTY TREASURER  
2079 East 9th Street  
Cleveland, OH 44115

*Defendants.*

CASE NO.

JUDGE

**COMPLAINT**

Tax Certificate No(s):  
B2014-1-456

Permanent Parcel No.:  
129-08-101

Address:  
11710 Shaker Boulevard  
Cleveland, OH 44120

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**FIRST COUNT**

1. Plaintiff, Woods Cove III, LLC (hereinafter, the “Plaintiff”), is a foreign limited liability company, duly registered in the State of Ohio, in good standing, and authorized to

transact business in Ohio.

2. Plaintiff brings this action pursuant to Chapter 5721 of the Ohio Revised Code, and has met all conditions precedent to the filing of this action.

3. On or about September 26, 2014, the Cuyahoga County Treasurer sold to Plaintiff at a negotiated sale, in conformity with the statutory authority conferred by Ohio Rev. Code §5721.33, Tax Certificate No. B2014-1-456 (“Tax Certificate”), attached hereto and incorporated herein as Exhibit A.

4. Plaintiff is the owner and holder of the Tax Certificate, and is vested with a valid first and best priority lien, previously held by the State of Ohio and its taxing districts for the amount of taxes, assessments, penalties, charges and interest charged against the parcel described in the Tax Certificate (hereinafter, the “Parcel”), superior to all other liens and encumbrances upon the Parcel, pursuant to Ohio Rev. Code §5721.32(E) or §5721.33(G), and §5721.35(A).

5. The Certificate Redemption Price appearing on the Tax Certificate is due and unpaid.

6. Pursuant to Ohio Rev. Code §5721.37, Plaintiff filed its Notice of Intent to Foreclose with the Cuyahoga County Treasurer. A copy of the Notice of Intent to Foreclose is attached hereto and incorporated herein as Exhibit B.

7. Pursuant to Ohio Rev. Code §5721.37(C)(2), the Cuyahoga County Treasurer has certified that the Parcel has not been redeemed. A copy of the Treasurer's certification is set forth on the Notice of Intent to Foreclose and is attached hereto and incorporated herein as part of Exhibit B.

8. Pursuant to the negotiated sale agreement, Plaintiff and the County Fiscal Officer negotiated a 120-day period within which Plaintiff is required to file its Complaint after

certification of the Notice of Intent to Foreclose, and this Complaint has been filed by Plaintiff within that time.

9. There are also due and payable taxes, assessments, penalties and charges encumbering the Parcel not covered by the Tax Certificate, including all costs related directly or indirectly to the Tax Certificate, including without limitation, attorney fees of the Plaintiff's attorney, and the fees and costs of these proceedings.

10. The permanent parcel number of the Parcel is set forth in the caption of this Complaint and a full legal description of the Parcel is set forth as part of the Preliminary Judicial Report, a copy of which is attached hereto and incorporated herein as Exhibit C.

11. Pursuant to Ohio Rev. Code §5721.42, Plaintiff has or may purchase subsequent additional Tax Certificate(s), which are valid first-priority property tax liens on the subject Parcel. *See* Exhibit A.

12. The sum of Plaintiff's first-priority tax liens on the subject Parcel is as follows:

- (a) The Certificate Purchase Price of \$44,048.03 on Tax Certificate No. B2014-1-456 plus interest at the rate of 18% per year from September 26, 2014 (a copy of said Tax Certificate is attached hereto and incorporated herein as Exhibit A); plus
- (b) The amount of \$30,333.36, paid by Plaintiff pursuant to Ohio Rev. Code §5721.37(B)(2) and reflected on the Notice of Intent to Foreclose, plus interest at the rate of 18% per year from December 1, 2015 (a copy of said Notice of Intent to Foreclose is attached hereto and incorporated herein as Exhibit B); plus

- (c) Costs and attorney's fees as provided in Ohio Rev. Code §5721.30 through §5721.43.

**SECOND COUNT**

13. Plaintiff incorporates all of the allegations set forth in the First Count as though fully rewritten herein.

14. The following named defendants, to wit: White Hawk Properties Incorporated, Martin D. Ruddock MD Incorporated Pension Plan and Cuyahoga County Treasurer; have or may claim to have some interest in or lien upon said Parcel, but Plaintiff states that such liens or interests, if any, are inferior and subsequent to the property tax liens of Plaintiff. (*See Preliminary Judicial Report, Exhibit C*).

15. Pursuant to Ohio Rev. Code §5721.30 through §5721.43, Plaintiff may, from time to time during the pendency of this action or otherwise, advance money to pay demolition and other costs, acquire subsequent year tax certificates, pay subsequently-accruing real estate taxes and/or assessments and/or other charges, and incur costs and attorney's fees, all of which will increase the first priority tax liens secured or represented by the Tax Certificate(s).

WHEREFORE, FOR THE REASONS STATED ABOVE, Plaintiff demands:

(A) That the Tax Certificate(s) be found to be a valid first statutory lien on the Parcel pursuant to Ohio Rev. Code §5721.10 and §5721.35, and otherwise, for the amount so owing, together with Plaintiff's advances authorized by law for demolition and other costs, acquisition of subsequent year tax certificates concerning the Parcel, taxes, assessments, and other charges, costs and attorney's fees.

(B) That such lien(s) be foreclosed, that the Court make its findings as provided in

Ohio Rev. Code §5721.39(A) and (B), and that unless the amount found due together with costs of this proceeding and costs related directly or indirectly to the Tax Certificate(s), including, without limitation, attorney's fees, be tendered to the Plaintiff prior to the filing of an entry of Confirmation of Sale pursuant to such proceeding, the equity of redemption of said parties shall be foreclosed.

(C) That all Defendants be required to answer and set up their claims in the Parcel or be forever barred.

(D) That the Court issue an order that the Parcel be sold by the Sheriff, in the manner provided by Ohio Rev. Code §5721.19 and §5721.37, or otherwise transferred according to any applicable procedures provided in Section 323.65 to 323.79 of the Ohio Revised Code, or, in the alternative, if the County Auditor has determined that the true value of the subject parcel is less than the certificate purchase price, a decree transferring and vesting fee simple title free and clear of all subordinate liens to the certificate holder, pursuant to Ohio Rev. Code §5721.37(F), and that such fee simple title be forever a bar to all rights of redemption.

(E) That the Parcel be ordered advertised and sold according to law.

(F) That from the proceeds of sale, Plaintiff be paid the amount found due it and in accordance with Ohio Rev. Code §5721.37(F) and §5721.39(D).

(G) That the costs of this action, as provided in Ohio Rev. Code §5721.37 and §5721.39, be taxed as costs and paid from the proceeds of sale.

(H) That the fees and costs of the attorney representing the Plaintiff in this action, as provided in Ohio Rev. Code §5721.37 and §5721.39 be taxed as costs and paid from the proceeds of sale.

(I) That upon the occurrence of all the conditions for forfeiture of the Parcel as

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provided in Ohio Rev. Code §5721.40, the Court issue an order forfeiting the Parcel to the Plaintiff as provided therein, and directing the County Auditor, Treasurer, and/or Fiscal Officer, to remove and cancel all property tax and other liability imposed upon the Parcel prior to the date of recording of the deed as so specified in Ohio Rev. Code §5721.40.

(J) That the Court grants such additional relief as Plaintiff may be entitled to at law and/or in equity.

Respectfully submitted,

**COLLINS & SCANLON, LLP**

/s/ Joseph H. Gutkoski

Tim L. Collins (0033116)

Harvey Labovitz (0021851)

Joseph H. Gutkoski (0086285)

Brian S. Gozelanczyk (0090858)

Elizabeth E. Collins (0091032)

3300 Terminal Tower, 50 Public Square

Cleveland, OH 44113

Telephone: (216) 696-0717

Facsimile: (216) 696-1166

Email: [jhg@collins-scanlon.com](mailto:jhg@collins-scanlon.com)

*Attorneys for Plaintiff*

**THIS COMMUNICATION IS FROM A DEBT COLLECTOR  
SEE ATTACHED NOTICE REQUIRED BY THE  
FAIR DEBT COLLECTION PRACTICES ACT**

**NOTICE REQUIRED BY THE  
FAIR DEBT COLLECTION  
PRACTICES ACT (the Act),  
15 U.S.C. Section 1692 as Amended**

1. As of January 27, 2016, the amount of the debt owed is \$88,573.63. Because of interest, attorney's fees and costs, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an adjustment may be necessary after we receive your check, in which event we will inform you before depositing the check for collection. For further information, write the law firm listed below or call (216) 696-0717.

2. The Plaintiff, Woods Cove III, LLC, is the Creditor to whom the debt is owed.

3. The debt described herein will be assumed to be valid by the Creditor's law firm, unless the debtor(s), within thirty (30) days after the receipt of this notice, disputes the validity of the debt or some portion thereof. Please note that notwithstanding the foregoing, you are still responsible under state law to file a response to the Complaint, to which this notice is attached, within twenty-eight (28) days. This 28-day period and the 30-day period mentioned above both commence the day after you receive the Complaint. If you are uncertain of your rights or obligations under this notice or the Complaint, or if you have questions concerning the proceedings that have been commenced by the filing of the Complaint, you should consult an Attorney of your choice.

4. If the debtor(s) notifies the Creditor's law firm in writing within 30 days of the receipt of this notice that the debt or any portion thereof is disputed, the Creditor's law firm will obtain a verification of the debt and a copy of the verification will be mailed to the debtor(s) by the Creditor's law firm.



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5. If Woods Cove III, LLC is not the original creditor, and if the debtor(s) makes a written request to the Creditor's law firm within thirty (30) days from the receipt of this notice, the name and address of the original creditor will be mailed to the debtor(s) by the Creditor's law firm.

6. Written requests should be addressed to Collins & Scanlon, LLP, 3300 Terminal Tower, 50 Public Square, Cleveland, OH 44113.

**\*\* This law firm is attempting to collect the debt on behalf of the Creditor, and any information obtained will be used for that purpose. \*\***

# Exhibit A

## Tax Certificates

NO. B2014-1-456

CUYAHOGA COUNTY  
OFFICE OF FISCAL OFFICER - 2  
PTXL 10/11/2014 11:02:53 AM  
**201410111882**

### TAX CERTIFICATE

(Negotiated Sale)

This Certificate will be cancelled three years after the date of delivery pursuant to Ohio Revised Code 5721.37, unless the date is extended because of bankruptcy pursuant to O.R.C 5721.37 (A) (3)(b). In the State of Ohio, I do hereby certify that, at a negotiated sale pursuant to O.R.C 5721.33, this tax certificate for the parcel listed below was offered and sold, and the certificate was delivered on:

Friday, September 26, 2014, in Cuyahoga County.

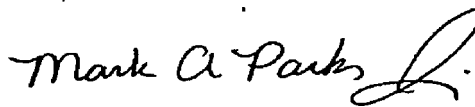
Parcel Owner:	WHITE HAWK PROPERTIES INC. & MARTIN D. RUDDOCK M.D INC. PENSION PLAN		
Property address:	11710 SHAKER BLVD		
	CLEVELAND, OH 44120		
Parcel No.:	129-08-101	Delq. Tax:	\$43,798.03
Lien Year(s):	2012,2013		
Legal description (attach additional sheets if necessary):	FF 215.00 D 139.80 .62656AC OL 428 ADDITIONAL PPN 12908102 2010S/R COMBINATION CARD		

The purchaser of this Tax Certificate or any transferee is entitled to file a notice of intent to foreclose on this parcel within three years after the purchase of this tax certificate, or by the date negotiated with the county treasurer. The parcel owner may redeem this parcel at any time before the court files its entry confirming the sale of the certificate parcel. Upon redemption, the certificate holder shall receive a payment equal to the tax certificate purchase price with the interest provided in O.R.C. 5721.30(F), 5721.33, 5721.38 or 5721.42, as applicable, over the period of time described in O.R.C. 5721.30(J) and 5721.38, plus the county treasurer's fee.

Certificate Purchaser:	Woods Cove III, LLC		
Address:	File 1558 1801 West Olympic Blvd.		
	Pasadena, CA 91199-1558		
Phone Number:	1-800-604-1876		
Certificate Purchase Price:	\$44,048.03	Negotiated Interest Rate:	18.00%
Premium \$	0	Discount \$	0
		Treasurer's Fee:	\$250.00

Witness this Friday, September 26, 2014

Signature:



Treasurer or Designee

## ENDORSEMENT OF TAX CERTIFICATE TRANSFER

I hereby transfer all my rights, title and interest in the forgoing tax certificate number \_\_\_\_\_ to

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Who has produced \_\_\_\_\_ as identification.

Signature of Transferor: \_\_\_\_\_

Endorsement must be acknowledged before a notary public.

### ACKNOWLEDGMENT

State of Ohio, County of \_\_\_\_\_, I hereby certify that the foregoing tax certificate was endorsed and acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, who is personally known to be the person described in the foregoing tax certificate or has produced \_\_\_\_\_ as identification.

Signature \_\_\_\_\_  
Notary Public Seal

My commission expires \_\_\_\_\_

---

## ENDORSEMENT OF TAX CERTIFICATE TRANSFER

I hereby transfer all my rights, title and interest in the forgoing tax certificate number \_\_\_\_\_ to

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Who has produced \_\_\_\_\_ as identification.

Signature of Transferor: \_\_\_\_\_

Endorsement must be acknowledged before a notary public.

### ACKNOWLEDGMENT

State of Ohio, County of \_\_\_\_\_, I hereby certify that the foregoing tax certificate was endorsed and acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_, who is personally known to be the person described in the foregoing tax certificate or has produced \_\_\_\_\_ as identification.

Signature \_\_\_\_\_  
Notary Public Seal

My commission expires \_\_\_\_\_

# Exhibit B

## Notice of Intent to Foreclose

### Notice of Intent to Foreclose

Pursuant to Ohio Revised Code 5721.37, I, David T. Brady, on the behalf of the tax certificate holder, Woods Cove III, LLC, hereby file a request for a foreclosure action with the Cuyahoga County Treasurer on the following tax certificate on this date December 1, 2015.

Tax Certificate Number(s): B2014-1-456

Lien Year(s): 2012,2013

Parcel Owner: M. White Hawk Properties ,Inc


Property Address: 11710 Shaker Blvd, Cleveland, OH 44120

Tax Certificate Sale Date(s): 9/26/2014


Parcel No.: 129-08-101

The above certificate holder has submitted the following required monies and fees associated with this notice of intent to foreclose:

- 1. Certificate redemption prices of any other tax certificates sold on the parcel, other than the tax certificates held by the certificate holder filing this form. \$ 0.00
- 2. Taxes, assessments, penalties, interest and charges that are not covered by a tax certificate. \$ 30,333.36
- 3. Total paid on this date. \$ 30,333.36

Signature:   
David T. Brady, Private Attorney, on behalf of the Tax Certificate Holder, Woods Cove III, LLC

I hereby certify that the above certificate parcel has not been redeemed, the amount indicated in line 3 has been received by me and the tax certificate holder has filed a notice of intent to foreclose on this date of December 1, 2015.

Signature:   
Treasurer/Designee

# Exhibit C

## Preliminary Judicial Report

39003

## Old Republic National Title Insurance Company

### PRELIMINARY JUDICIAL REPORT

**PJ No:** PJR-08076367  
**Order No:** 52084

**TO:** Davenport Financial, LLC  
1100 Superior Avenue, Suite 1620  
Cleveland, OH 44114

**PREMISES:** 11710 Shaker Blvd., Cleveland, OH 44120

Pursuant to your request for a Preliminary Judicial Report for use in judicial proceedings, we have made an examination of the records of **Cuyahoga** County, Ohio, as to the land described in Schedule A, and Old Republic National Title Insurance Company, for a valuable consideration, hereby guarantees, not to exceed **\$25,000.00**, that the title to the premises hereinafter described as from said records, is at the date hereof vested in **White Hawk Properties Inc. and Martin D. Ruddock MD Inc. Pension Plan by Quit Claim Deed filed April 2, 2010 in Instrument Number 201004020427, Cuyahoga County, Ohio Records.**

and free from all encumbrances, liens or defects, except as shown in Schedule B.

#### SCHEDULE A DESCRIPTION OF REAL ESTATE

“ See Attached Exhibit "A" for Legal Description”

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Ohio Real Title Agency, LLC  
1213 Prospect Avenue, Suite 200  
Cleveland, Ohio 44115

ORT Form 4276 PJR 04/15/2010



# Exhibit A

## Legal Description

**File Number:** 52084

Parcel No. 1

Situated in the City of Cleveland, County of Cuyahoga and State of Ohio, and known as being part of Original One Hundred Acre Lot No. 428 and bounded and described as follows:

Beginning on the southerly line of South Roadway of Shaker Boulevard at a point distant 205 feet Easterly., measured along said Southerly line, from the Northeasterly corner of land conveyed to The Sun Oil Company by deed dated June 30, 1945 and recorded in Volume 5899, Page 717 of Cuyahoga County Records;

Thence Easterly along the Southerly line of the South Roadway of Shaker Boulevard 210 feet;

Thence Southerly and parallel with the Easterly line of land so conveyed to The Sun Oil Company, about 139.80 feet to the Northerly line of Williams Avenue, S.E.;

Thence Westerly along the Northerly line of Williams Avenue, S.E. about 210 feet to its intersection with a line drawn Southerly and parallel with the Easterly line of land so conveyed to The Sun Oil Company from the place of beginning;

Thence Northerly and parallel with said Easterly line, 139.80 feet to the place of beginning, be the same more or less, but subject to all legal highways.

Parcel 2

Situated in the City of Cleveland, County of Cuyahoga and State of Ohio, and known as being part of the Original 100 Acre Lot No. 428, bounded and described as follows:

Beginning on the Southerly line of the South Roadway of Shaker Boulevard at the Northeasterly corner of land conveyed to the Transportation House, Inc., by deed dated February 4, 1954 and recorded on February 25, 1954 in Volume 8019, Page 659 of Cuyahoga County Records;

Thence Easterly along the Southerly line of the South Roadway of Shaker Boulevard, 5 feet;

Thence Southerly and parallel with the Easterly line of land so conveyed to Transportation House, Inc., about 139.80 feet to the Northerly line of Williams Avenue, S.E.;

Thence Westerly along the Northerly line of Williams Avenue, S.E., about 5 feet to the Southeasterly corner of land conveyed to Transportation House, Inc., as aforesaid;

Thence Northerly along the Easterly line of land so conveyed about 139.80 feet to the place of beginning;

Be the same more or less, but subject to all legal highways.

Permanent Parcel Number: 129-08-101 (Parcel 129-08-102 is listed with)

Property Address: 11710 Shaker Blvd., Cleveland OH 44120

Prior Deed Reference: 201004020427

# Old Republic National Title Insurance Company

PJ No: PJR-08076367  
Order No: 52084

## SCHEDULE B

**\*\*FOR EXCEPTIONS, SEE ATTACHED SCHEDULE B CONTINUED\*\***

This is a guarantee of the record title only and is made for the use and benefit of all parties to said proceedings, and the purchaser at judicial sale thereunder.

DATE: JANUARY 14, 2016

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY assumes no liability for matters affecting title subsequent to the date hereof nor does the Company assume responsibility for the proper form or execution of any documents to be filed unless the same are approved by the Company.

Should you require full coverage, including matters not appearing of record, a Policy of Title Insurance should be ordered.

In witness whereof, OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed:

By: Ohio Real Title Agency, LLC



By: \_\_\_\_\_  
Michelle M. Britton, Title Manager, Title Agent

# Old Republic National Title Insurance Company

**PJ No:** PJR-08076367  
**Order No:** 52084

## SCHEDULE B

1. Covenants, Restrictions, Reservations, Limitations, Conditions, Agreements, Easements, Rights of Way, Leases and Oil and Gas rights of record, if any.
2. Tax Certificate - Woods Cove III, LLC, 1801 West Olympic Blvd., Pasadena, CA 91199-1558, vs: White Hawk Properties Inc. & Martin D. Ruddock M.D. Inc., Pension Plan, in the amount of \$44,048.03 filed October 11, 2014, recorded in Instrument No. 201410111882 in the Cuyahoga County, Ohio records.
3. The County Treasurer's Tax Duplicate shows:
  - A Current Tax Balance of \$12,012.06 which is unpaid.
  - Assessed to: White Hawk Properties Inc. & Martin D. Ruddock M.D. Inc., Pension Plan
  - Tax ID: 129-08-101

Subject to Special Taxes and Assessments, if any.

## PJR Extended Coverage Endorsement

Attached to and made a part of Preliminary Judicial Report No. PJR-08076367

Issued By OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

The above-referenced Preliminary Judicial Report is amended as follows:

1. Definition of Terms is amended as follows:

“Guaranteed Party”: All parties to the proceedings and the purchaser at judicial sale.

5. Extent of Liability is amended to read as follows:

The liability of the Company to any Guaranteed Claimant or Guaranteed Party shall in no case exceed in the aggregate the amount stated herein; however, expenditures for litigation costs and attorney's fees incurred in contesting a claim or reopening, continuing or initiating a judicial proceeding, shall not reduce the amount recoverable herein.

6. Options to Pay or Otherwise Settle Claims; Termination of Liability, subparagraphs (a) and (d) are amended to read as follows:

- a. To pay or tender to the Guaranteed Claimant the amount guaranteed under the Report or the balance remaining thereof. If this option is exercised, all liability of the Company under this Report terminates.
- d. To pay or tender to the Guaranteed Claimant the difference between the value of the estate or interest as guaranteed and the value of the estate or interest subject to the non-monetary defect or non-monetary encumbrance guaranteed against by this Report.

This endorsement is made a part of the preliminary judicial report referred to above, and except as modified herein, is subject to the terms and provisions thereof.

January 14, 2016

Michelle M Bratton

*Authorized Officer or Agent*

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

*A Stock Company*

*400 Second Avenue South, Minneapolis, Minnesota 55401*

*(612) 371-1111*

By



Attest

Secretary

David Wold

ORT Form 4499 PJR Extended Coverage Endorsement

(04/15/2010)

## CONDITIONS AND STIPULATIONS OF THIS PRELIMINARY JUDICIAL REPORT

### 1. Definition of Terms

"Guaranteed Party": The party or parties named herein or the purchaser at judicial sale.

"Guaranteed Claimant": Guaranteed Party claiming loss or damage here-under.

"Land": The land described specifically or by reference in Schedule A, and improvements affixed thereto, which by law constitute real property; provided however the term "land" does not include any property beyond the lines of the area specifically described or referred to in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, lanes, ways or waterways.

"Public Records" Those records under state statute and, if a United States District Court resides in the county in which the Land is situated, the records of the clerk of the United States District Court, which impart constructive notice of matters relating to real property to purchasers for value without knowledge and which are required to be maintained in certain public offices in the county in which the land is situated.

### 2. Determination of Liability

This report together with any final Judicial Report or any Supplement or Endorsement thereof, issued by the Company is the entire contract between the Guaranteed Party and the Company.

Any claim of monetary loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest guaranteed hereby or any action asserting such claim, shall be restricted to this Report.

### 3. Liability of Company

This Report is a guarantee of the record title of the Land only, as disclosed by an examination of the Public Records herein defined.

### 4. Notice of Claim to be given to Guaranteed Claimant

In case knowledge shall come to the Guaranteed Party of any lien, encumbrance, defect, or other claim of title guaranteed against and not excepted in this Report, whether in a legal proceeding or otherwise, the Guaranteed Party shall notify the Company within a reasonable time in writing and secure to the Company the right to oppose such proceeding or claim, or to remove said lien, encumbrance or defect at its own cost. Any action for the payment of any loss under this Report must be commenced within one year after the Guaranteed Party receives actual notice that they may be required to pay money or other compensation for a matter covered by this Report or actual notice someone claims an interest in the Land covered by this Report.

### 5. Extent of Liability

The liability of the Company shall in no case exceed in all the amount stated herein and shall in all cases be limited to the actual loss, including but not limited to attorneys fees and costs of defense, only of the Guaranteed Party. Any and all payments under this Report shall reduce the amount of this Report pro tanto and the Company's liability shall terminate when the total amount of the Report has been paid.

The Company in its sole discretion shall have the following options

- a. To pay or tender to the Guaranteed Claimant the amount of the Report or the balance remaining thereof, less any attorneys fees, costs or expenses paid by the Company to the date of tender. If this option is exercised, all liability of the Company under this Report terminates including but not limited to any liability for attorneys fees, or any costs of defense or prosecution of any litigation.
- b. To pay or otherwise settle with other parties for or in the name of the Guaranteed Claimant any claims guaranteed by this Report.
- c. To continue, re-open or initiate any judicial proceeding in order to adjudicate any claim covered by this Report. The Company shall have the right to select counsel of its choice (subject to the right of the Guaranteed Claimant to object for reasonable cause) to represent the Guaranteed Claimant and will not pay the fees of any other counsel.
- d. To pay or tender to the Guaranteed Claimant the difference between the value of the estate or interest as guaranteed and the value of the estate or interest subject to the defect, lien or encumbrance guaranteed against by this Report.

### 7. Notices

All notices required to be given to the Company shall be given promptly and any statements in writing required to be furnished to the Company shall be addressed to Old Republic Title Insurance Company at 400 Second Avenue South, Minneapolis, Minnesota 55401.

### EXCLUSIONS FROM COVERAGE

1. The Company assumes no liability under this Report for any loss, cost or damage resulting from any physical condition of the Land.
2. The Company assumes no liability under this Report for any loss, cost or damage resulting from any typographical, clerical or other errors in the Public Records.
3. The Company assumes no liability under the Report for matters affecting title subsequent to the date of this Report or the Final Judicial report or any supplement thereto.
4. The Company assumes no liability under this Report for the proper form or execution of any pleadings or other documents to be filed in any judicial proceedings.
5. The Company assumes no liability under this Report for any loss, cost, or damage resulting from the failure to complete service on any parties shown in Schedule B of the Preliminary Judicial Report and the Final Judicial Report or any Supplemental Report issued thereto.

Electronically Filed 02/09/2016 14:55 / / CV 16 858732 / Confirmation Nbr. 665893 / CLJML

### 6. Options to Pay or Otherwise Settle Claims, Termination of Liability