

A. Settlement Statement

U.S. Department of Housing and Urban Development
OMB Approval No. 2502-0265

B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv. Unins.	6. File Number 109426-00225-17PJW	7. Loan Number	8. Mortgage Insurance Case Number
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.	This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown in items marked "to o.c." were paid outside the closing; they are shown here for information purposes and are not included in the totals. WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see Title 18 U. S. Code Section 1001 and Section 1010.			TitleExpress Settlement System Printed 05/17/2018 at 12:25 PJW

C. Note: Items marked "to o.c." were paid outside the closing; they are shown here for information purposes and are not included in the totals. WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see Title 18 U. S. Code Section 1001 and Section 1010.

D. NAME OF BORROWER: Community Services Associates, Inc.
ADDRESS: 175 Greenwood Drive, Hilton Head Island, SC 29928

E. NAME OF SELLER: BNC Holdings, LLC
ADDRESS: 22 Ballybunion Way, Bluffton, SC 29910

F. NAME OF LENDER:
ADDRESS:

G. PROPERTY ADDRESS: 14 Greenwood Drive, Hilton Head Island, SC 29928
Par G Sea Pines Center

H. SETTLEMENT AGENT: McNair Law Firm, P.A.
PLACE OF SETTLEMENT: 23-B Shelter Cove Ln #400, Hilton Head Island, SC 29928

I. SETTLEMENT DATE: 05/18/2018

J. SUMMARY OF BORROWER'S TRANSACTION:			K. SUMMARY OF SELLER'S TRANSACTION:		
100. GROSS AMOUNT DUE FROM BORROWER			400. GROSS AMOUNT DUE TO SELLER		
101. Contract sales price	1,422,500.00		401. Contract sales price		1,422,500.00
102. Personal property			402. Personal property		
103. Settlement charges to borrower (line 1400)	6,456.95		403.		
104.			404.		
105.			405.		
Adjustments for items paid by seller in advance			Adjustments for items paid by seller in advance		
106. City/town taxes			406. City/town taxes		
107. County taxes			407. County taxes		
108. Assessments			408. Assessments		
109.			409.		
110.			410.		
111.			411.		
112.			412.		
120. GROSS AMOUNT DUE FROM BORROWER		1,428,956.95	420. GROSS AMOUNT DUE TO SELLER		1,422,500.00
200. AMOUNTS PAID BY OR ON BEHALF OF BORROWER			500. REDUCTIONS IN AMOUNT DUE TO SELLER		
201. Deposit or earnest money		25,000.00	501. Excess Deposit (see instructions)		
202. Principal amount of new loans			502. Settlement charges to seller (line 1400)		65,438.25
203. Existing loan(s) taken subject to			503. Existing loan(s) taken subject to		
204.			504. Payoff: 205929		212,580.03
			CoastalStates Bank		
205.			505. Payoff of second mortgage loan		
206.			506.		
207.			507.		
208.			508. Reimburse for Paydown		200,000.00
			Diana Bright		
209.			509.		
Adjustments for items unpaid by seller			Adjustments for items unpaid by seller		
210. City/town taxes			510. City/town taxes		
211. County taxes	01/01/18 to 05/18/18	3,913.51	511. County taxes	01/01/18 to 05/18/18	3,913.51
212. Assessments			512. Assessments		
213.			513. Water & Sewer 3-26-5/16/18		361.50
214.			514.		
215.			515.		
216.			516.		
217.			517.		
218.			518.		
219.			519.		
220. TOTAL PAID BY/FOR BORROWER		28,913.51	520. TOTAL REDUCTION AMOUNT DUE SELLER		482,293.29
300. CASH AT SETTLEMENT FROM OR TO BORROWER			600. CASH AT SETTLEMENT TO OR FROM SELLER		
301. Gross amount due from borrower (line 120)		1,428,956.95	601. Gross amount due to seller (line 420)		1,422,500.00
302. Less amounts paid by/for borrower (line 220)		28,913.51	602. Less reduction amount due seller (line 520)		482,293.29
303. CASH FROM BORROWER		1,400,043.44	603. CASH TO SELLER		940,206.71

SUBSTITUTE FORM 1099 SELLER STATEMENT. The information contained herein is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported. The Contract Sales Price described on line 401 above constitutes the Gross Proceeds of this transaction.

SELLER'S INSTRUCTIONS: If this real estate was your principal residence, file Form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of Form 4797, Form 6252 and/or Schedule D (Form 1040).

You are required by law to provide McNair Law Firm, P.A. If you do not provide your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law, and Under penalties of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

TIN: SELLER 1	SELLER 2	SELLER(S) SIGNATURE(S):	SELLER 1	SELLER 2
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SETTLEMENT STATEMENT

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L. SETTLEMENT CHARGES			PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. TOTAL SALES/BROKER'S COMMISSION based on price \$1,422,500.00 @ 4.000 = 56,900.00				
Division of commission (line 700) as follows:				
701. \$	56,900.00	to NAI Carolina Charter		
702. \$		to		
703. Commission paid at Settlement				56,900.00
800. ITEMS PAYABLE IN CONNECTION WITH LOAN				
801. Loan Origination Fee	%			
802. Loan Discount	%			
803. Appraisal Fee				
804. Credit Report				
805.				
806.				
807.				
808.				
809.				
810.				
811.				
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE				
901. Interest From	to	@ \$	/day	
902. Mortgage Insurance Premium for	0 mont	to		
903. Hazard Insurance Premium for	0 mont	to		
904.				
905.				
1000. RESERVES DEPOSITED WITH LENDER FOR				
1001. Hazard Insurance	mo. @ \$		/mo	
1002. Mortgage Insurance	mo. @ \$		/mo	
1003. City Property Tax	mo. @ \$		/mo	
1004. County Property Tax	mo. @ \$		/mo	
1005. Annual Assessments	mo. @ \$		/mo	
1009. Aggregate Analysis Adjustment				
1100. TITLE CHARGES				
1101. Settlement or Closing Fee			975.00	
1102. Abstract or Title Search	to McNair Law Firm, P.A.		300.00	
1103. Title Examination	/			
1104. Title Insurance Binder	to Counsellor Title Insurance Agency, Inc.		150.00	
1105. Document Preparation				
1106. Notary Fees				
1107. Attorney's Fees	to McNair Law Firm, P.A. (TO BE BILLED)			
(Includes above items No:	1101, 1105 & 1107)		
1108. Title Insurance	to Counsellor Title Insurance Agency, Inc.		1,415.70	
(Includes above items No:)		
1109. Lender's Policy	NONE			
1110. Owner's Policy	1,422,500.00 - 1,415.70			
1111. Counsellor/McNair will receive 60% of the premium				
1112. Final Title Update	to McNair Law Firm, P.A.		50.00	
1113. Attorney's Fees	to McNair Law Firm, P.A.			3,250.00
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES				
1201. Recording Fees Deed \$	10.00	; Mortgage \$; Release \$	10.00
1202. County Recording Fee	Deed \$ 1,564.75	; Mortgage \$		1,564.75
1203. State Recording Fee	Deed \$ 3,698.50	; Mortgage \$		3,698.50
1204. Transfer Fee	Deed \$ 3,556.25	; Mortgage \$		
1205. Record Waiver Agreement	to Beaufort County Register of Deeds			10.00
1300. ADDITIONAL SETTLEMENT CHARGES				
1301. Survey				
1302. Record Satisfaction	to Beaufort County Register of Deeds			15.00
1400. TOTAL SETTLEMENT CHARGES			6,456.95	65,438.25

(enter on lines 103, Section J and 502, Section K)
HUD CERTIFICATION OF BUYER AND SELLER

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.
Community Services Associates, Inc.

By: Bret Martin, President/843-871-1343
BNC Holdings, LLC

By: Craig T. Bright, Member/Diana Bright, Member

WARNING: IT IS A CRIME TO KNOWINGLY MAKE FALSE STATEMENTS TO THE UNITED STATES ON THIS OR ANY SIMILAR FORM. PENALTIES UPON CONVICTION CAN INCLUDE A FINE AND IMPRISONMENT. FOR DETAILS SEE TITLE 18, U.S. CODE SECTION 1001 AND SECTION 1010.

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

SETTLEMENT AGENT: _____ DATE: _____

STATE OF SOUTH CAROLINA }
COUNTY OF BEAUFORT }

WAIVER OF PURCHASE OPTION

THIS AGREEMENT is made and entered into this _____ day of _____, 201__, by and between SEA PINES RESORT, LLC, a Virginia limited liability company having an office and place of business at Hilton Head Island, South Carolina, and Community Services Associates, Inc. [hereinafter referred to as “Purchaser”], as follows:

WHEREAS, BNC Holdings, LLC [hereinafter referred to as “Seller”] has conveyed or is conveying to Community Services Associates, Inc. certain property more particularly described as 14 Greenwood Drive.

WHEREAS, SEA PINES RESORT, LLC [hereinafter referred to as “Company”] holds an option to purchase said Property pursuant to rights it holds by way of assignment, such rights being contained in certain covenants and restrictions recorded in the office of the Register of Deeds for Beaufort County, South Carolina, and imposed on the Property by the Company (the “Covenants”); and

WHEREAS, the Covenants provide that should Seller desire to sell the Property, the Property must be offered for sale to the Sea Pines Resort, LLC at the same price at which the highest bona fide offer has been made for the Property; and Sea Pines Resort, LLC shall have thirty [30] days after receipt of written notice of the price and terms within which to purchase the Property at this price; and

WHEREAS, the Seller desires to sell the Property to the Purchaser who has made the highest bona fide offer for the Property; and

WHEREAS, the Purchaser wishes to induce the Company to waive its option to purchase the Property in order that the Purchaser might purchase the Property; and

WHEREAS, the Company is willing to waive its option in accordance with terms and conditions of this agreement.

NOW, THEREFORE, in consideration of the premises, and of the further consideration of ONE AND NO/100 [\$1.00] DOLLAR to SEA PINES RESORT, LLC, paid in hand by the Seller, at and before the sealing of these Presents, the receipt and sufficiency of which is hereby acknowledged, SEA PINES RESORT, LLC, and the Purchaser agree as follows:

1. The Company hereby waives its option granted under the Covenants to purchase the Property from the Seller.
2. The waiver hereby granted applies only with respect to the purchase of the Property by the Purchaser from the Seller. It does not apply to the purchase of the Property by any other Purchaser from the Seller or to the purchase of the Property by any subsequent purchaser from the Purchaser.
3. The Purchaser covenants and agrees that he/she will faithfully comply with the provisions of this Agreement and all covenants of record affecting the Property described above which may include, without limitation, that certain “Declaration of Covenants and Agreement of 1988 for the Transfer of Properties, Reserved Rights and Obligations of Hilton Head Liquidation Corporation to Community Services Associates, Inc.” recorded in the office of the Register of Deeds of Beaufort County, South Carolina in Deed Book 519 at Page 1161, that certain “Declaration of Covenants and Restrictions by Sea Pines Company, Inc.” recorded in the office of the Register for Mesne Conveyances of Beaufort County, South Carolina in Deed Book 224 at Page 1036, the “Declaration of Rights, Restrictions, Covenants Running with Certain Lands of Sea Pines Company [Class “A”: Covenants, April 1, 1970]” recorded in the office of the Register of Deeds in Deed Book 173 at Page 46, and the “Declaration of Rights, Restrictions, Affirmative obligations, Conditions, Etc., which Constitute Covenants Running with Certain Lands of Lighthouse Beach Company [Class “B” Multi Family Covenants, April 1, 1970]” recorded in Deed Book 172 at Page 316.
4. The Purchaser hereby agrees that no building, fence or other structure shall be erected on the Property nor shall any alteration be made to the exterior appearance of any improvements or structure on the Property without the Purchaser first having obtained the approval of the Sea Pines Architectural Review Board.
5. The Purchaser hereby acknowledges his obligation to prevent the development of any unclear, unsightly or unkempt conditions of the Property or improvements thereon.

6. This Agreement supersedes any and all understandings and agreements between the Parties and constitutes the sole and entire agreement between the Parties. No oral statements or representations whatsoever shall be considered a part thereof.

7. This Agreement is binding upon the heirs, personal representatives, successors and assigns of the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused these Presents to be executed as of the date and year first above written.

WITNESSES:

Gregory Davis
Marion Logan

PURCHASER
COMMUNITY SERVICES ASSOCIATES, INC.
By: _____
Bret Martin, President

SEA PINES RESORT, LLC
[Signature]
Steven P. Birdwell
President

FOR PURCHASERS:

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ACKNOWLEDGMENT

I HEREBY CERTIFY that on this _____ day of _____, 201____, before me, the undersigned Notary Public of the State and County aforesaid, personally appeared the above-referenced PURCHASER, known to me (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within Waiver of Right of Repurchase, who acknowledged the due execution thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public for South Carolina
My Commission Expires: _____

FOR SEA PINES RESORT, LLC

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ACKNOWLEDGMENT

I HEREBY CERTIFY that on this 27th day of November, 2017, before me, the undersigned Notary Public of the State and County aforesaid, personally appeared the above-referenced authorized representative of SEA PINES RESORT, LLC, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within Waiver of Right of Repurchase, who acknowledged the due execution thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Marion Logan
Notary Public for South Carolina
My Commission Expires: 01/22/2024

**NOTICE TO PURCHASER
RE: BEAUFORT COUNTY AD VALOREM TAXES**

PURCHASER: Community Services Associates, Inc.
PROPERTY: 14 Greenwood Drive, Hilton Head Island, SC 29928

As is the case with all local governments (counties) in the State of South Carolina, Beaufort County operates on a retroactive collection of ad valorem taxes, i.e., the current year tax bills are issued near the end of the tax year. In fact, S.C. Law requires tax bills to be mailed by September 30. However, the date is subject to change to a later date, if an extension is requested by the county auditor.

As a courtesy, all property transfers occurring **prior** to September 15, 2018, will be addressed by the County to the January 1, 2018, owner of record c/o the new owner at the new owner's address of deed. All property transfers occurring **after** September 15 will be sent to the January 1, 2018, owner of record as prescribed by S.C. Law. If you need to change your address, you should send a notice directly to the Beaufort County Tax Assessor, P.O. Box 458, Beaufort, SC 29901. We would therefore appreciate your reading and signing the disclaimer below.

MCNAIR LAW FIRM, P.A.

By: _____
Closing Attorney

CREDIT ON SETTLEMENT STATEMENT

We acknowledge our understanding that the seller has been debited at closing the seller's share of taxes for the current tax year from January 1 to date of closing as indicated on the Settlement Statement, and that we are now responsible for payment of ad valorem taxes for the current tax year. If 2018 taxes are being paid at closing, funds have also been paid by us for our share on the Settlement Statement.

TAX BILL

We acknowledge that should we not receive a tax bill related to the captioned real property by November 30, 2018, it will be **our responsibility** to contact the Beaufort County Treasurer's Office at (843) 255-2600 to request the same. You may also access your tax information and pay your taxes on-line at www.co.beaufort.sc.us. Escrow of taxes by our mortgage holder does not relieve us of the responsibility to confirm that all relevant county taxes have been paid. We authorize MCNAIR LAW FIRM, P.A. to use the funds collected on the Settlement Statement to pay the tax bill.

DELINQUENCY

Taxes are delinquent as of January 15, 2019, and penalties are applied. If taxes are unpaid as of August 31, 2019, the property will be advertised and subsequently sold on the first Monday in October of 2019.

PRIMARY RESIDENCE

We understand that if we occupy the captioned property as of January 1 of the tax year as our primary place of residence, we may be entitled to a 4% assessment ratio by application to the Beaufort County Tax Assessor. (For details please contact the County Assessor at (843) 255-2400.) (NOTE: You may qualify for a further benefit as a primary residence owner and senior citizen, i.e., 65 or older under the Homestead Exemption Act.) For further details contact the Beaufort County Auditor at (843) 255-2500. Forms and information are available on-line at the Beaufort County web page: www.co.beaufort.sc.us.

We have received a copy of this disclaimer from MCNAIR LAW FIRM, P.A.

Community Services Associates, Inc.

By: _____
Bret Martin, President

**NOTICE TO PURCHASER/BORROWER
TITLE INSURANCE FINANCIAL INTEREST DISCLOSURE
AND CONSENT FORM**

Notice is hereby given to the undersigned purchaser-borrower that a mortgagee title insurance policy in the amount of \$.00 is to be issued to your mortgage lender and that such mortgage policy does NOT provide title insurance protection for the owner's separate interest.

Please take notice that you may obtain an OWNER'S TITLE INSURANCE POLICY to protect the owner's separate interest in the property in the amount of \$1,422,500.00 (being the full purchase price) at an additional cost of \$1,415.70. If an owner's policy is desired, please remit a check in the amount of \$1,415.70, *Payable to Counsellor Title Insurance Agency, Inc.

***premium included on Closing Disclosure and/or ALTA Settlement Statement (NO SEPARATE CHECK REQUIRED).**

Counsellor Title Insurance Agency, Inc. is a licensed agent for issuance of title insurance, and will be paid a commission for the underwriting, preparation and issuance of the policy equal to approximately sixty (60%) percent of the premium charged.

In accordance with South Carolina Code §38-75-960(a) (1976), as amended, the undersigned producer of title business or associate of such producer hereby advises that it has a financial interest in the following title agency:

Name of Insurance Agent: Counsellor Title Insurance Agency, Inc.
Post Office Drawer 3
Hilton Head Island, SC 29938

Producer/Associate's Name: Walter J. Nester, III

Signature: _____
Address: Post Office Drawer 3
Hilton Head Island, SC 29938

Date: _____

ACKNOWLEDGMENT

The undersigned applicant is a buyer, seller or lender who has been referred by the above-named producer of title business or associate of such producer to one or more of the title insurers or title agents hereinabove. The undersigned expressly recognizes and acknowledges a financial interest of such producer or associate as disclosed hereinabove. The undersigned applicant has read the above and understands that the mortgagee policy does not provide title insurance protection to the undersigned as an owner, but that an owner's title policy is available to be issued simultaneously with a mortgagee policy from a title insurer of his choice, subject to examination of title, by any other insurer. Further, the undersigned acknowledges that from time to time, representatives of title insurance underwriters may audit the files of the Agent and/or Producer. The undersigned expressly consents to the access to the undersigned's file with McNair Law Firm, P.A. for purposes of such an audit.

Applicant's Name: Community Services Associates, Inc.
Address: 175 Greenwood Drive, Hilton Head Island, SC 29928

Signature: _____
Bret Martin, President

Date: _____

2018 TAX PRORATION CLOSING AGREEMENT

Seller(s): BNC Holdings, LLC

Purchaser(s): Community Services Associates, Inc.

Property: 14 Greenwood Drive, Hilton Head Island, SC 29928

Beaufort County real property taxes are calculated and billed at the end of each calendar year. Beaufort County is reassessing the value of all Beaufort County real property in 2018. Property tax bills for this year will not become available until November. Seller and Purchaser agree to prorate 2018 taxes based on the 2017 taxes referenced plus 10%. Seller's pro-rata share of this year's property taxes through the closing date is deducted from the Seller's sales proceeds and credited to the Purchaser on the closing statement. This pro-rated amount is only an estimate, as this year's property tax bill is not available.

This Tax Proration Closing Agreement is being entered into by the Purchase and Seller to obligate the parties to correct any material deviance between the estimated property taxes pro-rated at closing and the actual property taxes imposed by Beaufort County later this year. For valuable consideration, the Purchaser and Seller agree as follows:

1. The current year's County real estate taxes are estimated based on previous year's property tax bill without adjustment. Both parties acknowledge the current year's property taxes are not available as of the Closing Date.
2. When Beaufort County issues tax bill later this year, it is expected to be sent to the Purchaser (or the Purchaser's lender is escrowing) for tax payment. Purchaser will then provide a copy of the current year tax bill to the Seller. The parties agree to re-prorate the taxes and make any adjustments which could result in payment due from one party to another in the event re-prorated taxes differ by \$100.00 or more.
3. Purchaser and Seller shall communicate directly with each other under this Agreement if any re-proration is strictly a mathematical computation not subject to subjective interpretation. The addresses of each party are reflected on the HUD-1 closing statement. Should either Purchaser or Seller require legal advice, each party understands that they will be responsible for their own costs.
4. The parties agree that this Agreement survives Closing. In the event that either party must resort to legal means to collect funds from the other, including, but not limited to, litigation, the parties agree that all costs of collection and/or litigation including court costs and legal fees, shall be borne by the losing party.
5. The Tax Proration Closing Agreement may be executed in counterparts, each of which shall be considered an original. Each party may rely on facsimile versions of this Agreement. The parties hereto agree that each may rely on the transmission of documents and signatures by electronic means such as email attachment, facsimile, etc. This Agreement shall be interpreted and construed in accordance with the laws of the State of South Carolina. This Agreement shall inure to the benefit/detriment of the parties hereto, their heirs and assigns.

SELLER(S):

By: _____

Craig J. Bright, Member

Date: _____

By: _____

Diana Bright, Member

PURCHASER(S):

By: _____

Bret Martin, President

Date: _____