PURCHASE AGREEMENT AND BIDDING INSTRUCTIONS Rainbow Hills Well Site 2 SAWS BID SOLICITATION NO. R-11-008-CM

- 1. <u>Sale of SAWS Land.</u> The City of San Antonio, Texas, a home-rule municipality of the State of Texas, acting by and through the San Antonio Water System Board of Trustees ("SAWS"), desires to sell and is soliciting offers to purchase certain SAWS-owned land ("SAWS Land")
- 2. The SAWS Land. The SAWS Land is described as follows:

That tract of land located in Bexar County, Texas, more particularly described in Exhibit "A" attached hereto and made a part hereof.

- 3. <u>Bid Information.</u> This Purchase Agreement and Bidding Instructions document is the official bid form that must be completed and returned by interested bidders in accordance with the instructions herein. Interested bidders must:
 - a. furnish the information requested in Section 23 below;
 - b. sign this Purchase Agreement and Bidding Instructions document ("Purchase Agreement");
 - c. provide the Bid Deposit, as described in Section 8 below; and
 - d. place the Purchase Agreement and the Bid Deposit in a sealed envelope properly identified as containing a "Bid for Purchase of SAWS Land (SAWS BID SOLICITATION NO. R-11-008-CM) AND RAINBOW HILLS WELL SITE 2" addressed and delivered to:

San Antonio Water System Contract Administration Division Attn: David Gonzales 2800 U.S. Hwy 281 North Customer Service Building, Suite 171 San Antonio, Texas 78212

It is the bidder's sole responsibility to deliver the bid documents properly completed, on time, to the proper location.

- 4. Intentionally Deleted
- 5. <u>Bid Due Date.</u> Sealed bids will be received until **10:00 o'clock a.m.** San Antonio, Texas time on **November 1, 2011** (the "Bid Deadline") at the address shown in paragraph 3. above.
- 6. <u>Notice of Acceptance.</u> SAWS will give notice of the acceptance of a bid to the successful bidder (the "Successful Bidder"), if any, within sixty (60) days after the Bid Deadline. Bids shall expire and are automatically rejected by SAWS if not accepted within sixty (60) days of the Bid Deadline.
- 7. <u>Title Exceptions.</u> The SAWS Land will be conveyed without warranty of title and subject to (i) all visible and apparent easements (ii) all matters of record relating to the SAWS Land as

shown in the Real Property Records of Bexar County, Texas, (iii) all applicable zoning, platting and other governmental ordinances, laws, rules and regulations and (iv) the Reserved Easement (hereinafter defined in Section 12 below) (collectively, the "Permitted Exceptions"). SAWS makes no representations about whether the SAWS Land has access to any public right of way. Additionally, the Successful Bidder must obtain any applicable permits for Successful Bidder's use of the SAWS Land and Successful Bidder must assemble the SAWS Land with any adjoining property owned by Successful Bidder and plat such properties, to the extent required by the San Antonio Uniform Development Code, which obligations shall survive Closing (hereinafter defined).

8. <u>Bid Deposit.</u> All bids must be accompanied by an earnest money bid deposit ("Bid Deposit") in the form of a cashier's check made out to San Antonio Water System in the amount of ten (10) percent of the bid amount. If a bid is not accepted by SAWS, the cashier's check will be returned to the unsuccessful bidder at the address provided by bidder in Section 23 within 10 business days of the date that the bid is rejected. The Successful Bidder's Bid Deposit shall be nonrefundable except in the event of a default by SAWS under this Agreement or as provided in Section 11, but shall be applied to the Bid Price (as defined in Section 23 below) at Closing (as defined in Section 13 below), if and only if Closing occurs hereunder.

9. Intentionally Deleted

- As Is Condition. THE SAWS LAND WILL BE CONVEYED IN ITS PRESENT "AS IS" CONDITION. IF THE PURCHASE AGREEMENT CLOSES, SUCCESSFUL BIDDER ACCEPTS THE SAWS LAND IN ITS PRESENT CONDITION. MAKES NO EXPRESS OR IMPLIED WARRANTIES OF FITNESS, SUITABILITY, HABITABILITY, OR OF OTHER CONDITIONS OF THE SAWS LAND, INCLUDING THE ENVIRONMENTAL CONDITION OF THE SAWS LAND. AS A MATERIAL PART OF THE CONSIDERATION OF THIS TRANSACTION, SAWS AND SUCCESSFUL BIDDER AGREE THAT SUCCESSFUL BIDDER IS TAKING THE SAWS LAND "AS IS" WITH ANY AND ALL LATENT AND PATENT DEFECTS AND THAT THERE IS NO WARRANTY BY SAWS THAT THE SAWS LAND IS FIT FOR ANY PARTICULAR PURPOSE. BIDDER ACKNOWLEDGES THAT IT IS NOT RELYING UPON ANY REPRESENTATION, STATEMENT OR OTHER ASSERTION WITH RESPECT TO THE CONDITION OF THE SAWS LAND, INCLUDING THE ENVIRONMENTAL CONDITION OF THE SAWS LAND, BUT IS RELYING SOLELY UPON ITS OWN INVESTIGATIONS AND EXAMINATION OF THE SAWS LAND. SUCCESSFUL BIDDER TAKES THE SAWS LAND UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES MADE BY SAWS RELATING TO THE SAWS LAND. THE PROVISIONS OF THIS SECTION ARE INCLUDED IN THE DEED WITHOUT WARRANTY ATTACHED HERETO AND WILL SURVIVE THE CLOSING.
- 11. <u>Inspections and Assessments of SAWS Land.</u> Within thirty (30) calendar days of the date that the notice of acceptance described in Section 6 above is delivered to the Successful Bidder (the "Inspection Period"), the Successful Bidder shall conduct, at the Successful Bidder's sole cost, any inspections and environmental assessments on the SAWS Land that the Successful Bidder may elect, subject to the indemnity and other provisions of Section 4 of this Agreement, and shall secure any financing needed to purchase the SAWS Land. The Successful Bidder's failure to conduct inspections and environmental assessments and secure financing shall not excuse the Successful Bidder from any obligations under this Agreement. However, in the event

that the Successful Bidder obtains a Phase I environmental site assessment of the SAWS Land ("Successful Bidder's Phase I") from an Environmental Professional (as defined in 40 CFR Part 312.10(b)) on or before the expiration of the Inspection Period that (i) materially and adversely differs from the results of the environmental site assessment or report included as part of the Property Information Documents (hereinafter defined in Section 20) or (ii) if the Property Information Documents did not include a environmental site assessment or report, recommends a Phase II environmental site assessment or other invasive environmental site assessment be performed on the SAWS Land, then in the case of either of (i) or (ii) hereinabove, if a copy of the Successful Bidder's Phase I is delivered to SAWS within the Inspection Period, the Successful Bidder may terminate this Agreement by delivering written notice to SAWS within the Inspection Period and receive back the Bid Deposit. If an Environmental Professional (as defined in 40 CFR Part 312.10(b)) desires to communicate with SAWS, the communication must be in writing and delivered to SAWS at the address stated in Section 20, below. The Successful Bidder may not conduct a Phase II environmental site assessment on the SAWS Land, or other invasive tests, including boring and drilling, upon the SAWS Land, without SAWS' prior written consent, a condition of which shall be SAWS approval, in SAWS reasonable discretion, of Successful Bidder's plan for conducting such Phase II environmental site assessment or other invasive tests on the SAWS Land.

- 12. <u>Closing Documents from SAWS.</u> SAWS will convey the SAWS Land to the Successful Bidder by Deed Without Warranty (the "Deed") in the form attached hereto as Exhibit "B". The Deed shall be countersigned by the Successful Bidder to evidence acceptance of the terms contained therein. The Deed contains an easement reservation in favor of CPS Energy (the "Reserved Easement"). SAWS and the Successful Bidder agree to execute any other closing documents that may be reasonably required by the Title Company.
- 13. <u>Closing.</u> The closing date ("Closing") will be on the first business day occurring ten (10) calendar days after expiration of the Inspection Period for conducting any inspections and environmental assessments on the SAWS Land described in Section 11 above, or on such earlier date as SAWS and Successful Bidder shall mutually agree. The Closing will be at the office of the following title company ("Title Company"):

Alamo Title Company 1602 N. Loop 1604 West, Suite 101 San Antonio, Texas 78248 210-495-5200

At Closing, the Successful Bidder shall pay the Bid Price (as defined in Section 23), as reduced by the Bid Deposit previously paid to SAWS, in cash or immediate good funds equivalent.

- 14. <u>Title Policy.</u> Without extending the date for Closing, Successful Bidder may obtain, at its expense, a standard TLTA owner's policy for title insurance for the SAWS Land, in a policy amount equal the Bid Price, subject to all standard exceptions to title, to be issued by Title Company within a reasonable period of time following Closing. Successful Bidder is responsible for all costs for the title policy and any additional endorsements or modifications to such title policy.
- 15. <u>Proration.</u> Real property taxes for the current year, interest, maintenance fees, assessments and dues will be prorated through the Closing date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's

taxes. Taxes for future years will be the obligation of the Successful Bidder. If this transfer or the Successful Bidder's use of the SAWS Land after Closing results in the assessment of additional taxes, penalties or interest, including without limitation "rollback taxes" (the "Assessments") for periods prior to Closing, the Assessments will be the obligation of the Successful Bidder. Obligations imposed by this Section 15 shall survive Closing.

- 16. <u>Broker's Commissions.</u> The Successful Bidder represents and warrants that no broker represents Successful Bidder and Successful Bidder hereby agrees to defend, indemnify and hold harmless SAWS and COSA for any claims for a brokerage fee or commission resulting from this transaction. The Successful Bidder's obligation to indemnify under this Section 16 shall survive Closing.
- 17. <u>Closing Costs.</u> Any escrow fee charged by Title Company shall be paid equally by SAWS and the Successful Bidder. Each party will be responsible for paying its own attorney's fees and the cost of recording any documents delivered to it or them at Closing. All other closing costs are as set forth in this Purchase Agreement.

18. Intentionally Deleted

- 19. <u>Default.</u> If for any reason the Successful Bidder fails to comply with any of the provisions of this Purchase Agreement, or if any of the representations or warranties of the Successful Bidder contained in this Purchase Agreement are incorrect or become incorrect or untrue, SAWS, at its election, may (i) terminate this Purchase Agreement and retain the Bid Deposit, (ii) waive any unmet requirements and proceed to Closing, (iii) enforce specific performance of this Purchase Agreement, or (iv) pursue any remedies it may have at law or in equity. If SAWS fails to comply with this Purchase Agreement, the Successful Bidder's sole and exclusive remedy under this Purchase Agreement shall be to terminate this Agreement, and so long as the Successful Bidder is not also in default, the Bid Deposit shall be returned by SAWS to the Successful Bidder.
- 20. <u>Property Information.</u> SAWS has obtained information on the SAWS Land, set forth in more detail in Exhibit "C" attached hereto (the "Property Information Documents"), which will be made available to all prospective Bidders at <u>WWW.SAWS.ORG</u>. In addition, a hard copy may be obtained at:

San Antonio Water System Contract Administration Division 2800 U.S. Hwy 281 North Customer Service Building, Suite 171 San Antonio, Texas 78212

SAWS does not make any representation or warranty as to the quality, accuracy or completeness of any data or information contained in the Property Information Documents, and advises the Successful Bidder to independently verify any such data or information. If the Property Information Documents include a Phase I environmental assessment, SAWS does not warrant whether it will qualify Successful Bidder as an "innocent purchaser" under CERCLA, 42 USC 9601 et seq. and the Texas Solid Waste Disposal Act, Texas Health and Safety Code Chapter 361 et seq., and SAWS recommends that the Successful Bidder conduct its own environmental assessment of the SAWS Land. Further, SAWS does not represent or warrant that the Property

Information Documents constitute all of the documents in SAWS possession related to the SAWS Land.

United below person such f	by transmitting by fax machine to d States mail, certified or registered or such other addresses as the res nal or overnight delivery to such ad	given hereunder by or to the Successful Bidder shall be the number shown below, placing the notice in the properly stamped and addressed to the address shown pective party may direct in writing to the other, or by dress, and such notice shall be deemed delivered upor smission, placing in the mail, or upon such personal or
	a. SAWS	Bruce Haby
		Manager, Corporate Real Estate San Antonio Water System
		2800 U.S. Hwy 281 North
		San Antonio, Texas 78212 Facsimile: (210) 233-5388
	with a copy to:	Mark Brewton
		Corporate Counsel
		San Antonio Water System
		2800 U.S. Hwy 281 North
		San Antonio, Texas 78212 Facsimile: (210) 233-4587
		raesinine. (210) 233-4367
	b. Bidder	As set out in Section 23 below.
	•	rves the right to reject any and all offers to purchase the ement shall require SAWS to accept any offer or to
23.	Bid Information.	
SAWS	a. <u>SURPLUS PROPERTY:</u> S BID SOLICITATION NO. R-11-(Rainbow Hills Well Site 2 347 Stimmel Drive, San Antonio,	
	547 Stilling Dive, San Antonio,	TCAUS / 022/
	b. BIDDER:	
	Name:	
	Address:	
	Phone:	
	Fax Number:	

BID PRICE: \$ _____ (the "Bid Price")

c.

- a. <u>Notice Regarding Title.</u> THE TEXAS REAL ESTATE LICENSE ACT REQUIRES A REAL ESTATE AGENT TO ADVISE A BUYER THAT BUYER SHOULD HAVE AN ATTORNEY EXAMINE AN ABSTRACT OF TITLE TO THE PROPERTY BEING PURCHASED; OR A TITLE INSURANCE POLICY SHOULD BE OBTAINED. NOTICE TO THAT EFFECT IS HEREBY GIVEN TO BIDDER.
- Notice Regarding Possible Liability for Additional Taxes (Texas Property Code-Section 5.010). If for the current ad valorem tax year the taxable value of the SAWS Land that is the subject of this Purchase Agreement is determined by a special appraisal method that allows for appraisal of the SAWS Land at less than its market value, the person to whom the SAWS Land is transferred may not be allowed to qualify the SAWS Land for that special appraisal in a subsequent tax year and the SAWS Land may then be appraised at its full market value. In addition, the transfer of the SAWS Land or a subsequent change in the use of the SAWS Land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the SAWS Land. The taxable value of the SAWS Land and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the SAWS Land is located.
- c. <u>Annexation Disclosures.</u> If the SAWS Land that is the subject of this Contract is located outside the limits of a municipality, the SAWS Land may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the SAWS Land is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the SAWS Land for further information.
- d. <u>Utility District.</u> Successful Bidder agrees that if the SAWS Land is situated in any utility district, Bidder will sign and acknowledge at or prior to the Closing, a statutory notice as required under Section 50.301 of the Texas Water Code.
- e. <u>Notice of Water and Sewer Service.</u> The SAWS Land is located in the water service area of the San Antonio Water System, which is the utility service provider authorized by law to provide water service to the SAWS Land, and the San Antonio Water System is the sewer service provider. There may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to the SAWS Land. You are advised to contact the San Antonio Water System to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to the SAWS Land.
- f. <u>Property Condition Disclosure.</u> The Successful Bidder agrees and acknowledges that any dwelling or residential building, if any, located on the SAWS Land has a value less than five percent (5%) of the overall value of the SAWS Land and therefore SAWS' is not required to submit any property condition disclosure pursuant to Texas Property Code Sec. 5.008. Additionally, the Successful Bidder agrees and

acknowledges that the SAWS Land is not "residential real property" subject to any federally mandated lead paint disclosures.

- 25. <u>Entire Agreement.</u> This Purchase Agreement and the Exhibits attached hereto contain all agreements between the parties hereto and no agreement not contained herein shall be recognized by the parties. The captions used herein are for convenience only and shall not be used to construe this Purchase Agreement. Exhibits "A" "C" attached hereto are incorporated herein for all purposes.
- 26. <u>Governing Law.</u> This Purchase Agreement shall be governed by the laws of the State of Texas and is performable in Bexar County, Texas.
- 27. <u>Binding Effect.</u> By signing below, the bidder agrees that if SAWS accepts the Bid Price, bidder will purchase the SAWS Land for the Bid Price in accordance with the provisions hereof and will comply with and be bound by the terms and conditions set out herein. All representations, warranties, covenants and obligations of bidder herein shall survive Closing.

(Signatures appear on the following pages)

IN WITNESS WHEREOF, the party submitting this bid has caused this Purchase Agreement for Rainbow Hills Well Site 2 to be duly executed and delivered (in the case of a party that is an entity, by their proper and duly authorized officer) as of the day and year written below, and each undersigned represents and warrants to SAWS that such person has the authority to execute and deliver this Purchase Agreement on behalf of the person or entity for which he/she is signing.

Executed by bidder this	day of	2011.
BIDDER*:	-	
	Name:	
	Title:	
BIDDER*:	NT .	
	Name:	
	Title:	
*If there is more than one l	oidder, each bidder must sign	
	ACKNOWLEDGEMENT	ΓS
STATE OF TEXAS COUNTY OF	§ §	
that such person has executed the sin the capacity therein stated.	same for the purposes and co	ed to the foregoing instrument and nsideration therein expressed and day of, 2011.
[Seal]		
	Notary Pub	olic, State of Texas
STATE OF TEXAS COUNTYOF	§ §	
	rson whose name is subscribe	sonally appeareded to the foregoing instrument and nsideration therein expressed and
-		
GIVEN UNDER MY HAND ANI	O SEAL OF OFFICE this	day of, 2011.
[Seal]		
	Notary Pub	olic, State of Texas

Bid accepted by SAW	VS thisday of, 2011			
	SAN ANTONIO WATER SYSTEM:			
	By:			
	Printed Name:			
	Title:			
Exhibits:				
Exhibit "A" - Descrip	otion of SAWS Land			
Exhibit "B" - Form o	f Deed Without Warranty			
Exhibit "C" - List of Property Information Documents				

RECEIPT OF PURCHASE AGREEMENT AND INSTRUCTIONS

Alamo Title Company

Receipt of the foregoing Purchase	Agreement and Instructions	is hereby acknowledged.
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EXHIBIT "A"

DESCRIPTION OF SAWS LAND

Being Lot 1, Block 42, Lackland Heights Subdivision Unit 6-C second filing, according to a plat of said subdivision recorded in Volume 5700, Page 32 of the Deed and Plat Records of Bexar County, Texas, being described more particularly in Deed dated September 21, 1967 from Plaza Homes, Inc. to Bexar County Water Control and Improvement District #16 recorded in Volume 5837, Pages 763-764 of the Deed and Plat Records of Bexar County, Texas, said Deed subject to restrictions and easements of record.

EXHIBIT "B"

FORM OF DEED WITHOUT WARRANTY

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS	8
	§
COUNTY OF BEXAR	§
Effective Date:	
Grantor: City of San Anto	nio, acting by and through its San Antonio Water System
Grantor's Mailing Addres	ss: P.O. Box 2449, San Antonio, Texas 78298-2449
Grantee:	
Grantee's Mailing Addres	ss:

CTATE OF TEVAC

<u>Consideration:</u> Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

<u>Property (including any improvements):</u> A tract of land in Bexar County, Texas being more particularly described in Exhibit A attached hereto and made a part hereof for all purposes (the "Property").

Exceptions to Conveyance: All visible and apparent easements, all applicable zoning, platting and other governmental ordinances, laws, rules and regulations, and all matters of record relating to the Property as shown in the Real Property Records of Bexar County, Texas. The Property may not have access to a public right of way.

Reservations from Conveyance: Grantor reserves from this conveyance:

(i) a perpetual easement for the use, benefit and control of CITY PUBLIC SERVICE BOARD OF SAN ANTONIO, a Municipal Board of the CITY OF SAN ANTONIO, for all existing electrical and gas lines and related appurtenances located on the Property, together with (i) the right of ingress and egress over the Property for the purpose of inspecting, patrolling, constructing, reconstructing, maintaining, removing and replacing said electrical and gas lines and related appurtenances, (ii) the right to remove from said lands by standard industry practices employed in vegetation management, all trees, and parts thereof, and any vegetation or obstructions which endanger or may interfere with the efficiency of said lines or their appurtenances.

Grantor, for the Consideration, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, subject to the Reservations from Conveyance and Exceptions to Conveyance, to have and to hold it to Grantee and Grantee's successors and assigns forever, but without warranty of title or any other warranty of any kind or nature, and without limitation on such disclaimer of warranties.

By accepting this deed, Grantee acknowledges that the PROPERTY IS BEING CONVEYED IN ITS PRESENT "AS IS" CONDITION AND GRANTEE ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION. GRANTOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OF FITNESS, SUITABILITY, HABITABILITY, OR OF OTHER CONDITIONS OF THE PROPERTY, INCLUDING THE ENVIRONMENTAL CONDITION OF THE PROPERTY. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS DEED, GRANTOR AND GRANTEE AGREE THAT GRANTEE IS TAKING THE PROPERTY "AS IS" WITH ANY AND ALL LATENT AND PATENT DEFECTS AND THAT THERE IS NO WARRANTY BY GRANTOR THAT THE PROPERTY IS FIT FOR ANY PARTICULAR PURPOSE. GRANTEE ACKNOWLEDGES THAT IT IS NOT RELYING UPON ANY REPRESENTATION, STATEMENT OR OTHER ASSERTION WITH RESPECT TO THE CONDITION OF THE PROPERTY, INCLUDING THE ENVIRONMENTAL CONDITION OF THE PROPERTY, BUT IS RELYING SOLELY UPON ITS OWN INVESTIGATIONS AND EXAMINATION OF THE PROPERTY. GRANTEE TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES MADE BY GRANTOR RELATING TO THE PROPERTY.

When the context requires, singular nouns and pronouns include the plural.

This conveyance is being made subject to ad valorem taxes for the year 2011 and all subsequent years, which are assumed by Grantee. Any "rollback" taxes assessed against the Property are hereby assumed by Grantee.

GRANTOR:

CITY OF SAN THROUGH SYSTEM:		
By:		

STATE OF TEXAS	§			
COUNTY OF	§ §			
This instrument was a		ed before me on this		, 2011
		ACCEPTED BY GR	ANTEE:	
		By:		
STATE OF TEXAS	\$ \$ \$			
COUNTY OF	§			
This instrument was a by,		ed before me on thisof		, 2011
[Seal]		Notary Public	, State of Texas	
After recording, return to:				

EXHIBIT A

TO DEED WITHOUT WARRANTY

Property Description

Being Lot 1, Block 42, Lackland Heights Subdivision Unit 6-C second filing, according to a plat of said subdivision recorded in Volume 5700, Page 32 of the Deed and Plat Records of Bexar County, Texas, being described more particularly in Deed dated September 21, 1967 from Plaza Homes, Inc. to Bexar County Water Control and Improvement District #16 recorded in Volume 5837, Pages 763-764 of the Deed and Plat Records of Bexar County, Texas, said Deed subject to restrictions and easements of record.

EXHIBIT "C"

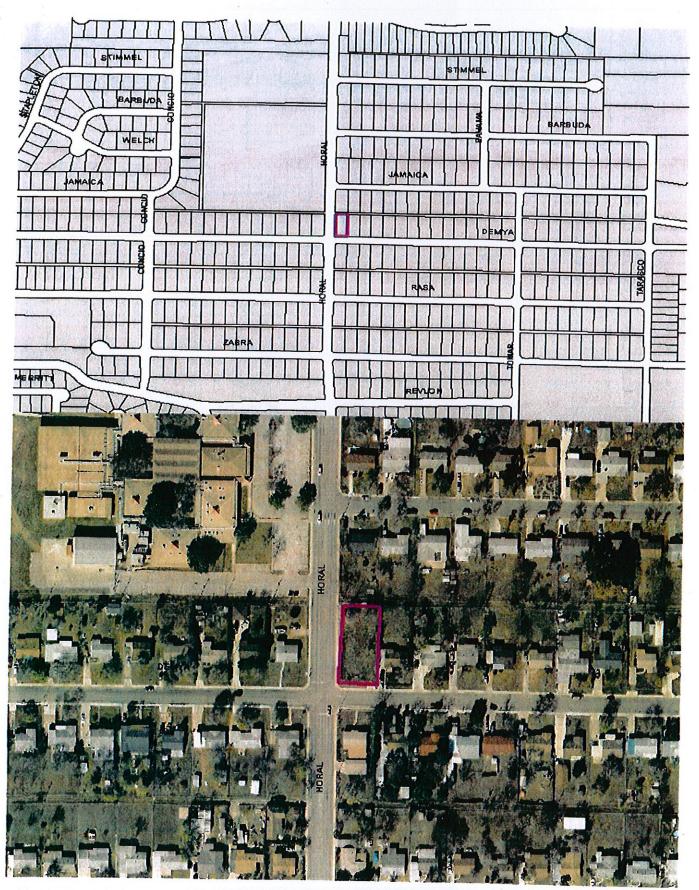
LIST OF PROPERTY INFORMATION DOCUMENTS

AERIAL PHOTO

PLAT

GENERAL WARRANTY DEED DATED FEBRUARY 22, 1994

TITLE COMMITMENT ISSUED BY ALAMO TITLE COMPANY EFFECTIVE MARCH 25, 2011 (GF No. 4002000253)



359 Demya, San Antonio, Texas 78227 Rainbow Hills #1 Well Site

WARRANTY DEED

94- 0036910

STATE OF TEXAS
COUNTY OF BEXAR

KNOW ALL MEN BY THESE PRESENTS:

That, BEXAR COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT #16, hereinafter called "GRANTOR", acting by and through its duly authorized officer, Carlo F. Ienna, pursuant to District Resolution No. adopted fighting, 20 , 1994, for and in consideration of TEN AND NO/100 (\$10.00) DOLLARS and other valuable consideration the receipt and sufficiency of which is hereby acknowledged, has GRANTED, SOLD, and CONVEYED, and by these presents, does hereby GRANT, SELL, and CONVEY, unto the CITY OF SAN ANTONIO, for the use, benefit of the said SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, its successors and assigns, as provided in Ordinance No. 75686, dated April 30, 1992, hereinafter called "GRANTEE" acting by and through Joe A. Aceves, P.E., President and Chief Executive Officer, San Antonio Water System Board pursuant to Ordinance No. 79280, adopted December 9, 1993, the following described real property located in the City of San Antonio, Bexar County, Texas, to-wit:

TRACT I - SEWER PLANT SITE

Being a 2.9020 acre tract of land out of a 5.0935 acre tract of land, said 5.0935 acre tract being the same as Lots 5 through 14 inclusive, Lots 19 through 28 inclusive, Block 28, Lackland Heights Subdivision, Unit 5, Bexar County, Texas, according to a plat of said subdivision recorded in Volume 3850, Page 109 of the Deed and Plat Records of Bexar County, Texas, and all improvements of whatsoever kind, character and nature situated on such real property; same being a part of the real property conveyed to Bexar County Water Control and Improvement District #16 from Lackland Heights Utility Company, by Deed dated August 1, 1959, recorded in Volume 4335, Pages 468-469 of the Deed and Plat Records of Bexar County, Texas, and being described as follows:

Beginning on the east right-of-way line of Hunt Lane at the northwest corner of Lot 28, Block 28, Lackland Heights Subdivision Unit 5, as heretofore stated,

Thence, South 89° 39' 00" East, with the south right-of-way line of Rasa Drive, same being the north property line of this tract, a distance of 231.25 feet;

Thence, South 01° 11' 42" West, a distance of 116.05 feet;

Thence, South 89° 23' 18" East, a distance of 221.10 feet;

Thence, South 31° 11' 43" East, a distance of 45.50 feet;

70L 5980 PG | 684

Thence, North 89° 35' 22" West, with the south property line of this tract, a distance of 472.25 feet to the east right-of-way line of Hunt Lane, same being the west property line of this tract;

Thence, North 00° 20' 57" East, with the west right-of-way of Hunt Lane, same being the west property line of this tract, a distance of 328.14 feet to the point of beginning, containing 126,411 square feet, 2.9020 acres of land, more or less, shown on Exhibit "A" attached.

TRACT II - WATER WELL SITE

Being Lot 20, Block 24, Lackland Heights Subdivision Unit 5, according to a replat of said subdivision recorded in Volume 4181, Page 63 of the Deed and Plat Records of Bexar County, Texas, being described more particularly in Deed dated August 1, 1959 from Lackland Heights Utility Company to Bexar County Water Control and Improvement District #16, recorded in Volume 4335, Pages 468-469 of the Deed and Plat Records of Bexar County, Texas. Lot 20, Block 24 is the same property shown as Lot 15, Block 24, Lackland Heights Subdivision of record in Volume 3850, Page 109, of the Deed and Plat Records of Bexar County, Texas and all improvements of Whatsoever kind, character and nature situated on such real property, shown on Exhibit "B" attached.

TRACT III - WATER WELL SITE

Being Lot 1, Block 42, Lackland Heights Subdivision Unit 6-C second filing, according to a plat of said subdivision recorded in Volume 5700, Page 32 of the Deed and Plat Records of Bexar County, Texas, being described more particularly in Deed dated September 21, 1967 from Plaza Homes, Inc. to Bexar County Water Control and Improvement District #16, recorded in Volume 5837, Pages 763-764 of the Deed and Plat Records of Bexar County, Texas, said Deed subject to restrictions and easements of record, shown on Exhibit "C" attached.

TRACT IV - SEWER LIFT STATION SITE (WCID #1)

Being a thirty (30) foot by thirty (30) foot sanitary sewer lift station tract out of Rainbow Hills Subdivision, Unit-6 in accordance to a plat recorded in Volume 6200, Page 20 of the Deed and Plat Records of Bexar County, Texas and being more particularly described as follows:

Beginning at the south corner of Lot 5, Block 60, Rainbow Hills Subdivision Unit-6, as heretofore stated, same being located on the northeast right-of-way line of Hunt Lane;

Thence, North 40° 51' 00" East, a distance of 30.00 feet;

BANK BOW

Being L filing, 5700, p being d from P Improve

VOL. 5980 PG | 685

Thence, South 49° 09' 00" East, a distance of 30.00 feet;

Thence, South 40° 51' 00" West, a distance of 30.00 feet to the northeast right-of-way line of Hunt Lane;

Thence, North 49° 09' 00" West, with the northeast right-of-way line of Hunt Lane, a distance of 30.00 feet to the point of beginning, containing 900 square feet, 0.0207 acres of land more or less, shown on Exhibit "D" attached.

TRACT V - SEWER LIFT STATION SITE (WCID #2)

Being a thirty (30) foot by thirty (30) foot sanitary sewer lift station tract out of a drainage and sewer right-of-way located east of Hunt Lane in accordance to a plat of Rainbow Hills Subdivision Unit-11, recorded in Volume 5870, Page 126 of the Deed and Plat Records of Bexar County, Texas and being more particularly described as follows:

Beginning at a point on the east right-of-way line of Hunt Lane north 00 02' 33" west, a distance of 262.50 feet from the centerline of Jamaica Drive as shown on the heretofore stated plat;

Thence, North 89° 57' 27" East, a distance of 30.00 feet;

Thence, North 00° 02' 33" West, a distance of 30.00 feet;

Thence, South 89° 57' 27" West, a distance of 30.00 feet to the east right-of-way line of Hunt Lane;

Thence, South 00° 02' 33" East, with the east right-of-way line of Hunt Lane, a distance of 30.00 feet to the point of beginning, containing 900 square feet, 0.0207 acres of land more or less, shown on Exhibit "E" attached.

TO HAVE AND TO HOLD the above described premises together with all and singular the rights and appurtenances thereto belonging to Grantor, and to Warrant and Forever Defend all and singular the said property unto the said Grantee and Grantee's successors and assigns.

EXECUTED this 22.4. day of 1/2.542.4/27 , A.D., 1994.

BEXAR COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT #16

BY: (al., 1.2) Johns

TITLE: President/Board of Directors

ML 2380 % [686

1

ACCEPTED:

CITY OF SAN ANTONIO for the use and benefit of the SAN ANTONIO WATER SYSTEM

BY: JOE A. ACEVES, P.E.

TITLE: President and Chief Executive Officer

STATE OF TEXAS

COUNTY OF BEXAR

This instrument was acknowledged before me on this 22 day of c Diggma, 1994, by Carlo F. Ienna, President of the Board of Directors, BEXAR COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT #16.



Notary Public in and for the State of

T E X A S

MY COMMISSION EXPIRES: 12-23-95

STATE OF TEXAS

COUNTY OF BEXAR

This instrument was acknowledged before me on this 24+9 day of Fthruald, 1994, by Joe A. Aceves, President and Chief Executive Officer, SAN ANTONIO WATER SYSTEM.



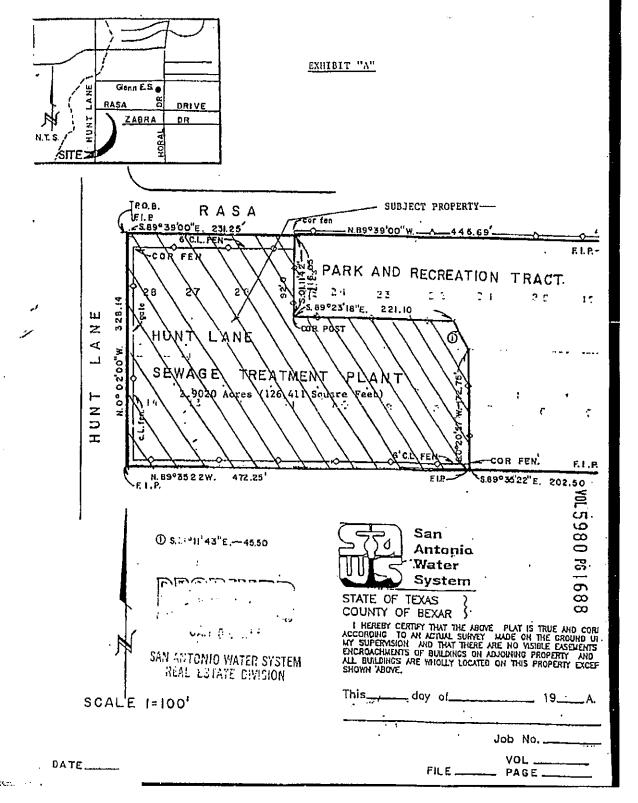
Notary Public in and for the State of

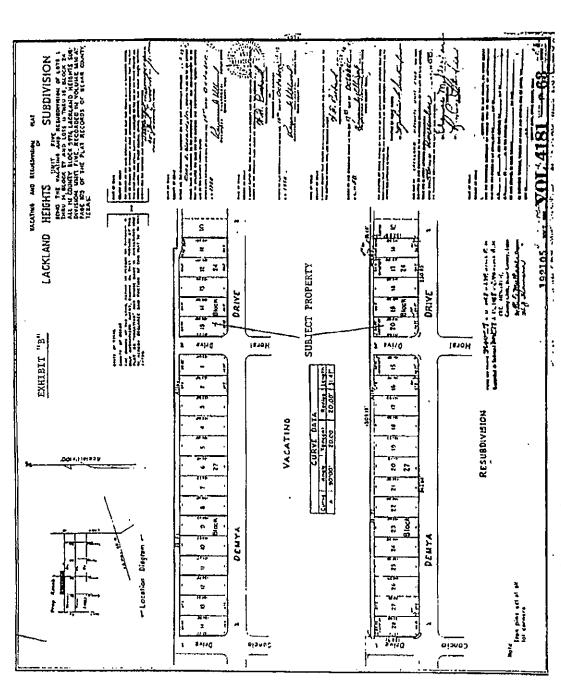
T E X A S

MY COMMISSION EXPIRES: 3-4/-76

AFTER RECORDING RETURN TO: SAN ANTONIO WATER SYSTEM LEGAL DEPARTMENT Katherine B. Cahill 1001 E. Market San Antonio, Tx 78205 VOL 5980 FIST 1687

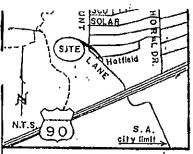
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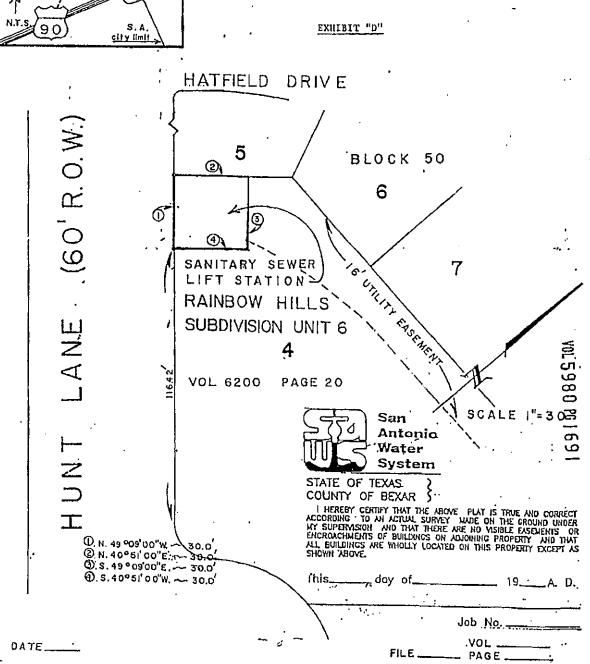


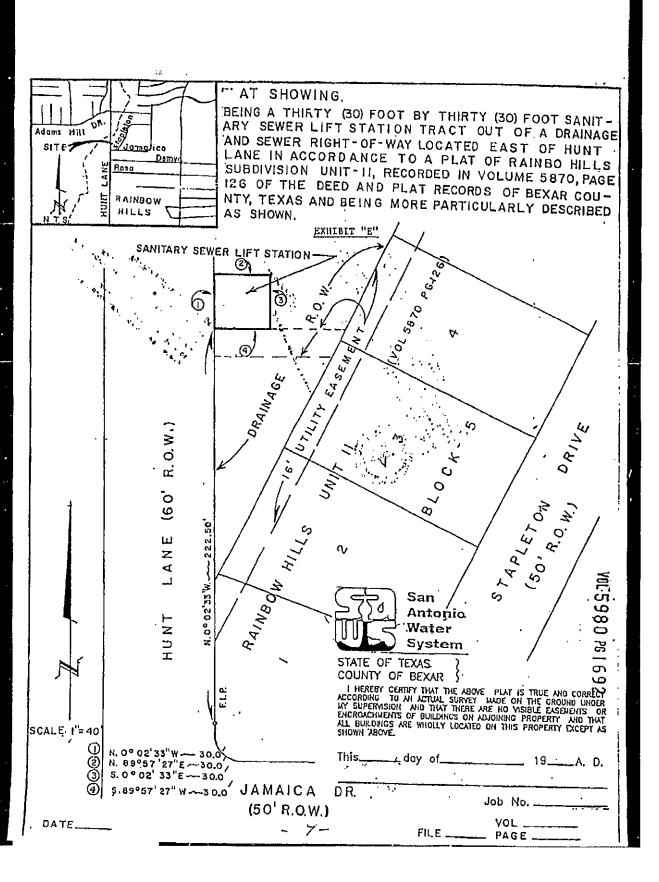
YOL 5980 PG | 689

LACKLAND HEIGHTS SUBDIVISION A VENT SECTION OF THE PARTY OF EXHIBIT "C" TARRE & ARRON SUBJECT PROPERTY-: •



PLAT SHOWING.
A THIRTY (30) FOOT BY (30) FOOT SANITARY SEWER LIFT STATION TRACT OUT OF RAINBOW:HILLS SUB-DIVISION, UNIT-6 IN ACCORDANCE TO A PLAT RECORDED IN VOLUME 6200, PAGE 20 OF THE DEED AND PLAT RECORD OF BEXAR COUNTY, TEXAS.





Dec/Num : 34-0036910 Deputy -Betty Sepulveda Receipt 1: 24543
Recording: 19.00
Boc/Mgst: 6.00

Filed for Record in: BEXAR COUNTY, IX ROJERT D. GREEN/COUNTY CLERK

On Feb 28 1994 At 4:11pm

And Some of the second second

4.44 3 1984

COMMITMENT FOR TITLE INSURANCE

Issued by Alamo Title Insurance



zed Officer

Alamo Title Insurance Attention: Claims Department P.O. Box 45023 Jacksonville, FL 32232-5023

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN <u>SCHEDULE A</u>, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

We (ALAMO TITLE INSURANCE) will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule B and Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sconer, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

ALAMO TITLE INSURANCE

Бy.

President

Attest

Secretary

CONDITIONS AND STIPULATIONS

- If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.
- 2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your rellance on this Commitment to comply with its requirements, or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from El seguro de titulo le asegura en relacion a certain risks to your title. perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad. The Commitment for Title Insurance is the title insurance El Compromiso para Seguro de Titulo es la company's promise to issue the title insurance policy. The promesa de la compania aseguradora de Commitment is a legal document. You should review it titulos de emitir la poliza de seguro de titulo. carefully to completely understand it before your closing El Compromiso es un documento legal. date. Usted debe leerio cuidadosamente y entendario completamente antes de la fecha

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

para finalizar su transaccion.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

- MINERALS AND MINERAL RIGHTS may not be covered by the Policy. The company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown on Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.
- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.
- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

Order No. 4002000255

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at ______ or by calling the title Insurance agent that Issued the Commitment. The State Board of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey or comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.
- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an increased Value Endorsement.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE B

EXCEPTIONS FROM COVERAGE

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or detete this exception):

Volume 4061, Page 359, Volume 4237, Page 119, Deed Records of Bexar County, Texas.

- Omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law.
- 2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
- 3. Homestead or community property or survivorship rights, if any, of any spouse of any insured, (Applies to the Owner's Policy only).
- Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.

(Applies to the Owner's Policy only.)

- 5. Standby fees, taxes and assessments by any taxing authority for the year 2011, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year 2011, and subsequent years.")
- 6. The terms and conditions of the documents creating your interest in the land.
- 7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

- 8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)
- 9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy (T-2R). (Applies to Texas Short Form Residential Loan Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy (T-2R).
- 10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
 - a. Stated Mineral Royalty Interest in and to all coal, lignite, oil, gas and other minerals, and all rights incident thereto, contained in instrument dated September 6, 1945, recorded on January 18, 1946 in/under Volume 2191, Page 271, of the Deed Records of Bexar County, Texas. Reference to which instrument is here made for particulars. No further search of title has been made as to the interest(s) evidenced by this instrument, and the Company makes no representation as to the ownership or holder of such interest(s).
 - b. Those liens created at closing, if any, pursuant to Lender's instructions.
 - c. Rights of Parties in Possession (Owner Policy Only)
 - d. Visible and apparent easements over and across subject property. (Owner Policy Only)
 - e. The following exception will appear in any policy issued (other than the T-1R Residential Owner's Policy of Title Insurance and the T-2R Short-Form Residential Loan Policy) if the Company is not provided a survey of the Land, acceptable to the Company, for review at or prior to closing:

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.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

- Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
- Satisfactory evidence must be provided that:
 - a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - b. all standby fees, taxes, assessments and charges against the property have been paid,
 - all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
 - d. there is legal right of access to and from the land,
 - e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
- 3. You must pay the seller or borrower the agreed amount for your property or interest.
- 4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.
- The last Deed found of record affecting the Land was recorded February 22, 1994 at Volume 5980, Page 1684 of the Real Property Records of BEXAR County, Texas, wherein the grantee acquired subject property.
- Conveyance by City of San Antonio for the benefit of San Antonio Water System Board of Trustees.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

G.F. No. or File No. 4002000255

Effective Date: March 25, 2011

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment
The following individuals are Directors and/or Officers of ALAMO TITLE INSURANCE

DIRECTORS

OFFICERS

Kevin Donald Lutes

Raymond Randall Quirk

President

Roger Scott Jewkes

Anthony John Park

Executive Vice President

Erika Meinhardt Raymond Randall Quirk Alan Lynn Stinson Daniel Kennedy Murphy Michael L. Gravelle Treasurer Secretary

John Arthur Wunderlich Anthony John Park

Fidelity National Financial, Inc. owns 100% of Fidelity National Title Group, Inc., which owns 100% of Chicago Title and Trust Company, which owns 100% of Alamo Title Holding Company, which owns 100% of Alamo Title Insurance.

- 2. The following disclosures are made by the Title Insurance Agent Issuing this Commitment: Alamo Title Company
 - a. The names of each shareholder, owner, partner or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium are as follows: Alamo Title Holding Company owns 100% of Alamo Title Company
 - b. Each shareholder, owner, partner or other person having, owning or controlling ten percent (10%) or more of an entity that has, owns or controls one percent (1 %) or more of the Title Insurance Agent that will receive a portion of the premium are as follows: Fidelity National Financial, Inc. owns 100% of Fidelity National Title Group, Inc., which owns 100% of Chicago Title and Trust Company, which owns 100% of Alamo Title Holding Company, which owns 100% of Alamo Title Insurance
 - c. The following persons are officers and directors of the Title Insurance Agent: Alamo Title Company

DIRECTORS:

OFFICERS:

Raymond Randall Quirk Anthony John Park Edward J. Hall

President

Raymond Randall Quirk

Chief Executive Officer Executive Vice President

Anthony John Park Daniel Kennedy Murphy

Treasurer Secretary

Michael L. Gravelle Joseph William Grealish

Executive Vice President & Regional Manager

3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium' is:

Owner's Policy

\$To Be Determined

Loan Policy Endorsements

Endorse

Other Total

\$To Be Determined

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company: 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

<u>Amount</u>

To Whom

For Services

The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

This commitment is invalid unless the insuring provisions and Schedules A. B. and C are attached.

Alamo Title Insurance Commitment For Title Insurance - T-7 Form 1177-15A (Rev. 02/01/2010)

DELETION OF ARBITRATION PROVISION

(Not Applicable to the Texas Residential Owner's Policy)

ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The Arbitration provision in the Policy is as follows:

"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, unless the Insured is an individual person (as distinguished from an Entity). 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."

Signature	Date	• • • • • • • • • • • • • • • • • • • •
I request deletion of the Arbitration pr	ovision.	
jurisdiction."		

Fidelity National Financial, Inc. Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

Personal Information Collected

We may collect Personal Information about you from the following sources:

Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;

Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;

Information about your transactions with or services performed by us, our affillates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and

Information we receive from consumer or other reporting agencies and publicly recorded documents.

Disclosure of Personal Information

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;

To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;

To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;

To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements; and/or

To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

<u>Disclosure to Nonaffiliated Third Parties</u> - We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

Confidentiality and Security of Personal Information

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

Access to Personal Information/

Requests for Correction, Amendment, or Deletion of Personal Information

As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer Fidelity National Financial, Inc. 601 Riverside Avenue Jacksonville, FL 32204

Changes to this Privacy Statement

This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

Privacy Policy Notice

IMPORTANT NOTICE

AVISO IMPORTANTE

To obtain information or make a complaint:

Para obtener informacion o para someter una queja:

You may call Alamo Title Insurance's toll-free telephone number for information or to make a complaint at:

Usted puede llamar al numero de telefono gratis de Alamo Title Insurance's para informacion o para someter una queja al:

1-800-654-7041

1-800-654-7041

You may also write to Alamo Title Insurance at:

Usted tambien puede escribir a Alamo Title Insurance:

Attention: Claims Department P.O. Box 45023 Jacksonville, FL 32232-5023

Attention: Claims Department P.O. Box 45023 Jacksonville, FL 32232-5023

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

1-800-252-3439

You may write to the Texas Department of Insurance:

Puede escribir al Departmento de Seguros de Texas:

P. O. Box 149104 Austin, TX 78714-9104 Fax: (512) 475-1771 Web: http://www.tdj.state.fx.us P. O. Box 149104 Austin, TX 78714-9104 Fax: (512) 475-1771

Web: http://www.tdi.state.tx.us

E-mail: ConsumerProtection@tdi.state.tx.us

E-mail: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES:

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Should you have a dispute concerning your premium or about a claim you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

ATTACH THIS NOTICE TO YOUR POLICY:

UNA ESTE AVISO A SU POLIZA:

This notice is for information only and does not become a part or condition of the attached document.

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.