PURCHASE AGREEMENT AND BIDDING INSTRUCTIONS San Fernando Tank Site SAWS BID SOLICITATION NO. R-11-011-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. <u>The SAWS Land</u>. The SAWS Land is described as follows:

That 0.2137 acre, more or less, 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-11-011-CM) AND SAN FERNANDO TANK SITE" 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 <u>2:00 o'clock p.m.</u> San Antonio, Texas time on <u>November 1, 2011</u> (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 and plat such properties, to the extent required by the San Antonio Uniform Development Code, which obligations shall survive Closing (hereinafter defined). Successful Bidder acknowledges that the SAWS Land is identified in the 2004 Nogalitos/S. Zarzamora Community Plan as public/institutional on this plan's future land use map.

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 10. "AS IS" CONDITION. IF THE PURCHASE AGREEMENT CLOSES, SUCCESSFUL BIDDER ACCEPTS THE SAWS LAND IN ITS PRESENT CONDITION. **SAWS** 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.

21. <u>Notices.</u> Any notices to be given hereunder by or to the Successful Bidder shall be given by transmitting by fax machine to the number shown below, placing the notice in the United States mail, certified or registered, properly stamped and addressed to the address shown below or such other addresses as the respective party may direct in writing to the other, or by personal or overnight delivery to such address, and such notice shall be deemed delivered upon such fax transmission with proof of transmission, placing in the mail, or upon such personal or overnight delivery:

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
b. Bidder	As set out in Section 23 below.

22. <u>Right to Reject.</u> SAWS reserves the right to reject any and all offers to purchase the SAWS Land and nothing in this Agreement shall require SAWS to accept any offer or to complete a sale of the SAWS' Land.

23. <u>Bid Information.</u>

a. SAWS BID SOLICITATION NO. R-11-011-CM
 San Fernando Tank Site
 449 and 501 Harriman Place, San Antonio, Texas 78204

b.	BIDDE	R:		
Name	:			
Addre	ess:			
Phone	e:			
Fax N	lumber:		<u> </u>	
				 "D'1D'

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

24. Disclaimers.

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.

b. <u>Notice Regarding Possible Liability for Additional Taxes (Texas Property</u> <u>Code-Section 5.010)</u>. 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 <u>San Fernando Tank Site</u> 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*:	Name:	
*If there is more than one b	Title:	
	ACKNOWLEDGEMENTS	
STATE OF TEXAS COUNTY OF	§ §	
BEFORE ME, the undersigned N known by me to be the per that such person has executed the s consideration therein expressed an	son whose name is subscribed to same as	o the foregoing instrument and
GIVEN UNDER MY HAND ANI	O SEAL OF OFFICE this	_ day of, 200 <u>9.</u>
STATE OF TEXAS COUNTYOF	§ §	
BEFORE ME, the undersigned N known by me to be the per	• • • •	• • • •
that such person has executed the s in the capacity therein stated.	same for the purposes and consid	deration therein expressed and
GIVEN UNDER MY HAND ANI	O SEAL OF OFFICE this	_ day of, 2011.

[Seal]

Notary Public, State of Texas

Bid accepted by SAWS this __day of _____, 2011

SAN ANTONIO WATER SYSTEM:

By:	
Printed Name:	
Title:	

Exhibits:

Exhibit "A" - Description of SAWS Land

Exhibit "B" - Form of Deed Without Warranty

Exhibit "C" - List of Property Information Documents

RECEIPT OF PURCHASE AGREEMENT AND INSTRUCTIONS

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

Alamo Title Company

By:	
Printed Name:	
Title:	

EXHIBIT "A"

DESCRIPTION OF SAWS LAND

A 0.2137 acre (9,307 square foot) tract of land consisting of irregular Lots 1 and 2, Block 5, N.C.B. 3488 San Fernando Subdivision, and irregular Lots 29 and 30, Block 4, N.C.B. 3487, San Fernando Subdivision, in the City of San Antonio, Bexar County, Texas, according to plat thereof recorded in Volume 368, Page 69, Deed and Plat Records Bexar County, Texas.

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	§
	§
COUNTY OF BEXAR	§

Effective Date:

Grantor: City of San Antonio, acting by and through its San Antonio Water System

Grantor's Mailing Address: P.O. Box 2449, San Antonio, Texas 78298-2449

Grantee:

Grantee's Mailing Address:

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

Property (including any improvements): Approximately 0.2137 acres 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: 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 ANDTHAT 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 ТО 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 ANTONIO, ACTING BY AND THROUGH ITS SAN ANTONIO WATER SYSTEM:

By:	
Printed Name:	
Title:	

§		
8 §		
		, 2011
	ACCEPTED BY GRANTEE:	
	By: Printed Name: Title:	
\$ \$ \$		
		, 2011
	§ s acknowled s acknowled s acknowled	<pre> § s acknowledged before me on this day of of ACCEPTED BY GRANTEE: By: Printed Name: Title: </pre>

EXHIBIT A

TO DEED WITHOUT WARRANTY

Property Description

A 0.2137 acre (9,307 square foot) tract of land consisting of irregular Lots 1 and 2, Block 5, N.C.B. 3488 San Fernando Subdivision, and irregular Lots 29 and 30, Block 4, N.C.B. 3487, San Fernando Subdivision, in the City of San Antonio, Bexar County, Texas, according to plat thereof recorded in Volume 368, Page 69, Deed and Plat Records Bexar County, Texas.

EXHIBIT "C"

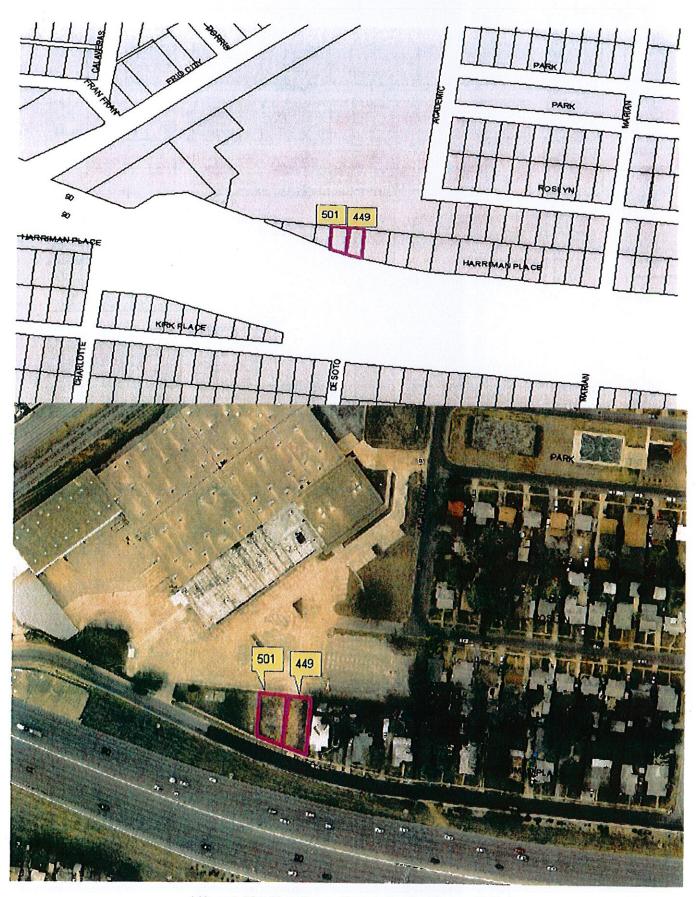
LIST OF PROPERTY INFORMATION DOCUMENTS

AERIAL PHOTO

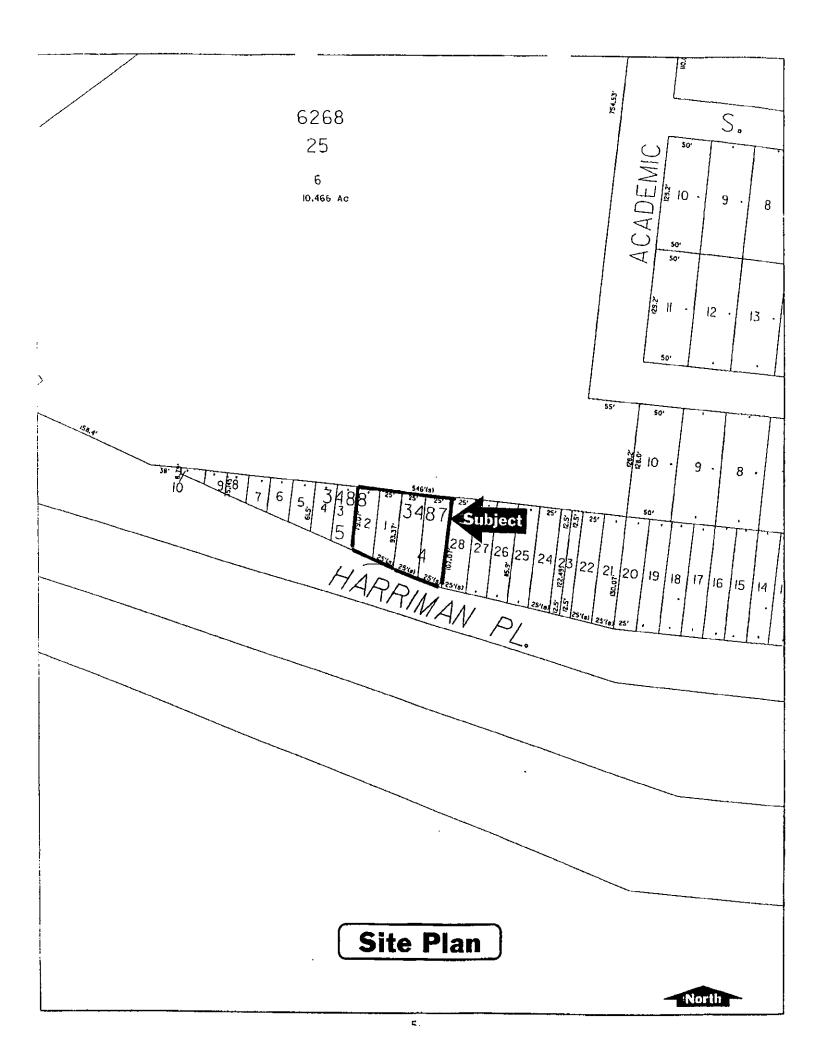
SITE PLAN

GENERAL WARRANTY DEED DATED JULY 12, 2000

TITLE COMMITMENT ISSUED BY ALAMO TITLE COMPANY EFFECTIVE MARCH 27, 2011 (GF No. 4002000252)



449 and 501 Harriman, San Antonio, Texas 78204 San Fernando #1 Tank Site



Attachment II San Fernando # 1 Tank Site

SPECIAL WARRANTY DEED

Date: July 12, 2000

Grantor: San Fernando Mutual Water System, a Texas non-profit corporation

Grantor's Mailing Address (including county):

501 Harriman San Antonio, Bexar County, Texas 78204

Grantee: San Antonio Water System

Grantee's Mailing Address (including county):

FILED BY ALAMO TITLE

2000- 0124957

1000 E. Market Street San Antonio, Bexar County, Texas 78205

Consideration: Ten Dollars (\$10.00) and other valuable consideration.

Property (including any improvements): See Exhibit "A" attached hereto and incorporated herein by reference for all purposes; which Property includes, but is not limited to, all interest of Grantor, if any, in (1) strips and gores, if any, between the Property and any abutting properties, whether owned or claimed by deed, limitations, or otherwise, and whether located inside or outside the Property; and (2) any land lying in or under the bed of any creek, stream, or waterway or any highway, avenue, street, road, alley, easement or right-of-way, open or proposed, in, on, across, abutting, or adjacent to the Property.

Reservations from and Exceptions to Conveyance and Warranty: Any and all restrictions and easements of record to the extent the same are valid and still in force and effect.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys unto Grantee, the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, TO HAVE AND TO HOLD it to Grantee, Grantee's heirs, executors, administrators, successors or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators and successors to WARRANT AND FOREVER DEFEND all and singular the Property to Grantee, Grantee's heirs, executors, administrators, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, except as to the reservations from and exceptions to conveyance and warranty.

308945.01

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Payment of current ad valorem taxes is assumed by Grantee.

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

SAN FERNANDO MUTUAL WATER SYSTEM, a Texas non-profit corporation

SiDent SFUL Bv: Its:

STATE OF TEXAS § COUNTY OF BEXAR §

This instrument was acknowledged before me on the <u>12</u> day of July, 2000, by <u>Ostlan, II. Valdan</u> of San Fernando Mutual Water System, a Texas non-profit corporation, on behalf of said corporation.

ublic, State of Texas My Commission Expires: 3/31/01

After recording, return to:

Mr. Paul Bousquet San Antonio Water System 1000 E. Market Street San Antonio, Texas 78205

J. C. STROMBERGER Notary Public, State of Texas My Comm. Exp. 03/31/01

308945.01

	FXHIBIT "A	• • • • •
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S	SOUTH TEXAS ENGINEERING, INC.	
	4606 CENTERVIEW DRIVE, SUITE 110 SAN ANTONIO, TEXAS 78228-1798 TEL. (210) 738-2848 FAX (210) 736-2359	•••
	3	
	PROPERTY DESCRIPTION	
	OF	
	A 0.2137 ACRE (9,307 SQUARE FOOT) TRACT OF LAND CONSISTING OF IRRIGULAR LOTS 1 AND 2, BLOCK 5, N.C.B. 3488 SAN FERNANDO SUBDIVISION, AND IRRIGULAR LOTS 29 AND 30, BLOCK 4, N.C.B. 3487, SAN FERNANDO SUBDIVISION, IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, ACCORDING TO PLAT THEREOF RECORDED IN VOLUME 368, PAGE 69, DEED AND PLAT RECORDS BEXAR COUNTY, TEXAS; SAID 0.2137 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;	;
÷	COMMENCING: AT A HIGHWAY MONUMENT ON THE NORTH RIGHT-OF-WAY LINE OF HARRIMAN ROAD FOR THE SOUTHEAST CORNER OF LOT 21 AND THE SOUTHWEST CORNER OF LOT 20, BLOCK 4, N.C.B. 3487, SAN FERNANDO SUBDIVISION;	
:	THENCE: ALONG THE NORTH RIGHT-OF-WAY LINE OF HARRIMAN ROAD, N.77°49'16"W., A DISTANCE OF 213.66 FEET TO A SET IRON PIN FOR THE POINT OF BEGINNING, SAID POINT BEING THE SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT AND SAID IRREGULAR LOT 29;	
	THENCE: ALONG THE NORTH RIGHT-OF-WAY LINE OF HARRIMAN ROAD, N.68°22'33"W., A DISTANCE OF 103.85 FEET TO A SET IRON PIN FOR THE SOUTHEAST CORNER OF LOT 3, BLOCK 5, N.C.B. 3488, SAN FERNANDO SUBDIVISION, AND FOR THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT AND SAID IRREGULAR LOT 2;	
	THENCE: DEPARTING THE NORTH RIGHT-OF-WAY LINE OF HARRIMAN ROAD, ALONG THE COMMON LOT LINES OF LOT 2 AND 3, BLOCK 5, N.C.B. 3488, SAN FERNANDO SUBDIVISION, N.05°59'00"E., A DISTANCE OF 79.07 FEET TO A SET IRON PIN FOR THE NORTHEAST CORNER OF SAID LOT 3, AND FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT AND SAID IRREGULAR LOT 2;	•
ŧ	THENCE: S.84°01'00"E., A DISTANCE OF 100.00 FEET TO A SET IRON PIN FOR THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT AND SAID IRREGULAR LOT 29;	
	THENCE: ALONG THE COMMON LOT LINE OF LOTS 28 AND 29, BLOCK 4, N.C.B. 3487, SAN FERNANDO SUBDIVISION, S.05°59'00°W., A DISTANCE OF 107.07 FEET TO THE POINT OF BEGINNING, CONTAINING 0.2137 ACRES (9,307 SQUARE FEET) OF LAND.	•
	HARDIT SINGH, R.P.L.S., #4600 JOB NO: 200000314 MAY 1, 2000	
		 CONTREMENDENCE, SUITE 110 SIN ACTION TO STATE AND ADDRESS ANDRESS AND ADDRESS AND ADDRESS AND ADDRESS AND ADDRESS AND ADDRESS

 $(1, \dots, N)$

Any provision herein which respirits the sale, or use of the described real property because of race is invatid and unerforctable under Federal law STATE OF TEXAS, COUNTY OF BECAN I needy certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Record of Real Property of Recor County, Texas on:

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JUL 2 7 2000

Se. Ru COUNTY CLERK BEXAR COUNTY, TEXAS

Filed for Record in: BEXAR COUNTY, TX GERRY RICKHOFF, COUNTY CLERK

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On Jul 25 2000 At 11:08a#

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Receipt #: 353581 Recording: 7.00 Doc/Mget : 6.00 Doc/Num : 2000-0124957 Deputy -Martha Salage

YOL8503 PE2075

COMMITMENT FOR TITLE INSURANCE

Issued by Alamo Title Insurance



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 sooner, 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

drized Officer Auth

By:

Attest

President

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 reliance 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.

Alamo Title Insurance Commitment For Title Insurance - T-7 Form 1177-15A (Rev. 11/01/09

TEXAS TITLE INSURANCE INFORMATION

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

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.

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 minerals and 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. 4002000252

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 A

Effective Date: March 27, 2011

GF. No. 4002000252

Commitment No.: Not Applicable issued: April 12, 2011 (if applicable)

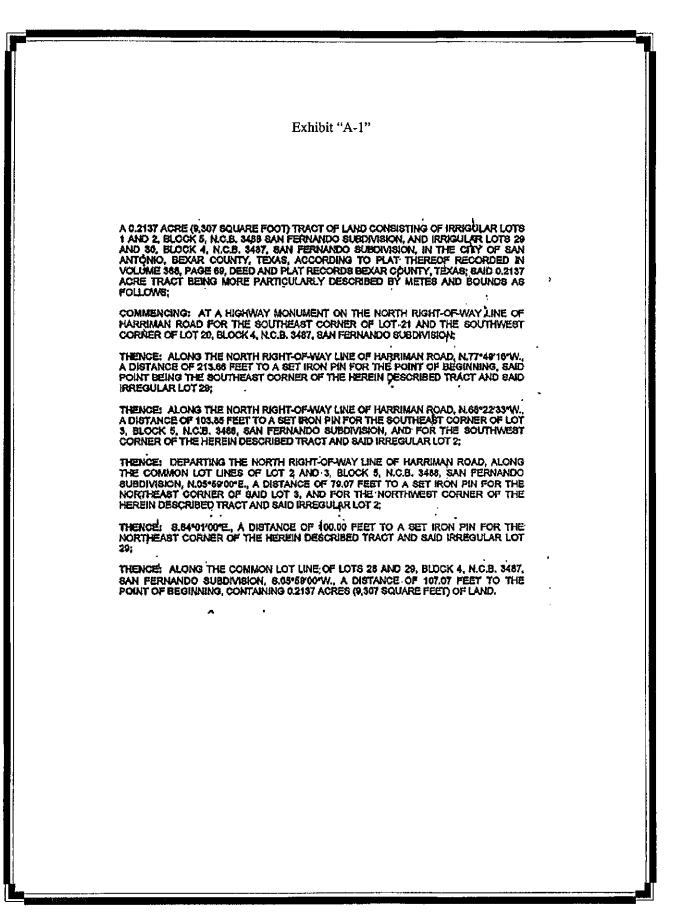
- 1. The policy or policies to be issued are:
 - (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
 (Not applicable for improved one-to-four family residential real estate)
 Policy Amount: \$To be determined
 PROPOSED INSURED: To be determined
 - (b) TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE -ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R) Policy Amount: PROPOSED INSURED:
 - (c) LOAN POLICY OF TITLE INSURANCE (Form T-2) Policy Amount: PROPOSED INSURED: Proposed Borrower:
 - (d) TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R) Policy Amount: PROPOSED INSURED: Proposed Borrower:
 - (e) LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13) Binder Amount: PROPOSED INSURED: Proposed Borrower:
 - (f) OTHER Policy Amount: PROPOSED INSURED:
- 2. The interest in the land covered by this Commitment is: Fee SImple
- 3. Record title to the land on the Effective Date appears to be vested in: San Antonio Water System
- 4. Legal description of land:

See Exhibit A Attached

Exhibit A

A parcel of land containing 0.2137 acres (9,307 square feet) consiting of irrigular Lots 1 and 2, Block 5, New City Block 3488, and the irrigular Lots 29 and 30, Block 4, New City Block 3487, San Fernando Addition, in the City of San Antonio, Bexar County, Texas, according to plat thereof recorded in Volume 368, Page 69-70, Deed and Plat Records of Bexar County, Texas; said 0.2137 acres being more particularly described in Exhibit "A-1", attached hereto and made a part hereof.

Note: The Company is prohibited from Insuring the area or quantity of the Land. Any statement in the legal description contained in Schedule A as to area or quantity of land is not a representation that such area or quantity is correct but is for informal identification purposes and does not override item 2 of Schedule B hereof.



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. Item 1, Schedule B is hereby deleted in its entirety.
- 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).
- 4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. 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.)
- 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. 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:

- 1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
- 2. 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,
 - c. 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 Pollcy 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.
- 5. The last Deed found of record affecting the Land was recorded July 12, 2000 at Volume 8503, Page 2072 of the Real Property Records of BEXAR County, Texas, wherein the grantee acquired subject property.
- 6. Conveyance by San Antonio Water System.

(framesa)

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

G.F. No. or File No. 4002000252

Effective Date: March 27, 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:

1. 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 Daniel Kennedy Murphy Treasurer Raymond Randall Quirk Michael L. Gravelle Secretary Alan Lynn Stinson 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 Edward J. Hall President Anthony John Park Raymond Randall Quirk Chief Executive Officer Anthony John Park Executive Vice President 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	
Other	
Total	\$To Be Determined
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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:

Amount	<u>To Whom</u>		For Services
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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)

Valid only if Schedules A, B and C are attached

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 <u>or the Company</u> to <u>require arbitration</u> 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 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."

I request deletion of the Arbitration provision.

Signature

Date

Fidelity National Financial, Inc. Privacy Statement

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your nonpublic 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 affiliates, 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.

<u>Disclosure to Affillated Companies</u> - 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, <u>ENF'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.</u>

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.

IMPORTANT NOTICE

To obtain information or make a complaint:

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

1-800-654-7041

You may also write to Alamo Title Insurance at:

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:

1-800-252-3439

You may write to the Texas Department of Insurance:

P. O. Box 149104 Austin, TX 78714-9104 Fax: (512) 475-1771 Web: <u>http://www.tdi.state.tx.us</u> E-mail: <u>ConsumerProtection@tdi.state.tx.us</u>

PREMIIUM OR CLAIM DISPUTES:

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.

ATTACH THIS NOTICE TO YOUR POLICY:

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

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

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

Usted tambien puede escribir a Alamo Title Insurance:

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

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

1-800-252-3439

Puede escribir al Departmento de Seguros de Texas:

P. O. Box 149104 Austin, TX 78714-9104 Fax: (512) 475-1771 Web: <u>http://www.tdi.state.tx.us</u> E-mail: <u>ConsumerProtection@tdi.state.tx.us</u>

DISPUTAS SOBRE PRIMAS O RECLAMOS:

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).

UNA ESTE AVISO A SU POLIZA:

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