

**OUT-OF-COUNTY TITLE COMPANY  
NOTICE REGARDING "BUSINESS PRESENCE"**

The attached title insurance commitment contains information which has been obtained or derived from records and information owned by Title Data, Inc. or one of its subsidiaries (collectively "Title Data"). Title Data owns and maintains land title plants for Harris, Brazoria, Chambers, Fort Bend, Galveston, Jefferson, Liberty, Montgomery and Waller counties, Texas, and has granted our company a license to use one or more of these title plants.

Our company's right to access and use Title Data's title plants is governed by the agreement we have with Title Data. This agreement restricts who can receive and/or use a title insurance commitment which is based, in whole or in part, upon Title Data's records and information.

We are permitted by Title Data to provide your company with this title insurance commitment *if and only if* (i) your company is not licensed as a Texas title insurance agent or direct for the county to which this title insurance commitment pertains (unless you are licensed by virtue of a contract with Title Data to access its title plant for this county), (ii) your company is not under contract to a non-Title Data title plant service for the county to which this title insurance commitment pertains, (iii) your company does not maintain a "business presence" (as defined below) in the county to which this title insurance commitment pertains, and (iv) you use this title insurance commitment only for the purpose of your company closing a bona fide real estate transaction which, in your genuine belief, will result in the issuance of a title insurance policy (the foregoing collectively referred to herein as the "Eligibility Requirements"). In the event your company does not satisfy *all* of the Eligibility Requirements, immediately return this title insurance commitment to our company without reviewing, copying, or otherwise utilizing in any way the information contained therein.

Per our agreement with Title Data, a "business presence" is established when a company conducts a real estate closing using its own employees, its agents or its representatives. PLEASE NOTE: sign-ups, witness-only closings, accommodation closings, courtesy closings and similar activities (collectively referred to herein as a "sign-up") are considered to be a "real estate closing" per our agreement with Title Data, and mobile notaries and signing services are considered to be your "agent or representative."

In the event your company already has a business presence in the county to which this title insurance commitment pertains, or will have a business presence by virtue of the real estate transaction associated with this title insurance commitment, immediately return it to our company without reviewing, copying, or otherwise utilizing in any way the information contained therein.

In the event your company elects to conduct a real estate closing (including a sign-up) within the physical boundaries of the county to which this title insurance commitment pertains (either using your own employees, an agent or a representative), such conduct would constitute an automatic violation by our company of the terms and conditions of our agreement with Title Data, subjecting us to the assessment of liquidated damages by Title Data.

Therefore, as an express condition for us providing you with the attached title insurance commitment and your acceptance and use thereof, you specifically agree (i) that your company meets the Eligibility Requirements, (ii) the consummation of the real estate transaction associated with this title insurance commitment will not result in a violation of such Eligibility Requirements, (iii) not to furnish this title insurance commitment (or any copies thereof) to any title insurance company or agent, and (iv) to indemnify and hold harmless our company from and against any liquidated damages assessed against us by Title Data and all other liabilities, losses or damages incurred by us relating to, or arising out of, our company's providing this title insurance commitment to you.

**IN THE EVENT YOUR COMPANY IS UNABLE OR UNWILLING TO COMPLY WITH THESE CONDITIONS, IMMEDIATELY RETURN THIS TITLE INSURANCE COMMITMENT TO OUR COMPANY, WITHOUT REVIEWING, COPYING, OR OTHERWISE UTILIZING IN ANY WAY THE INFORMATION CONTAINED THEREIN.**

## TITLE DATA, INC. NOTICE REGARDING SURVEYORS

The attached title insurance commitment contains information which has been obtained or derived from records and information owned by Title Data, Inc. or one of its subsidiaries (collectively "Title Data"). Title Data owns and maintains land title plants for Harris, Brazoria, Chambers, Fort Bend, Galveston, Liberty, Montgomery and Waller counties, Texas. Title Data created its title plants through the investment of extensive time, labor, skill and money. **The information contained in the title plants is protected by federal copyright law and Texas common law on trade secrets and contract.**

Title Data has granted our company a license to use one or more of its title plants. Our company's right to access and use Title Data's title plants is governed by our contract Title Data. Our contract with Title Data restricts who can receive and/or use a title insurance commitment which is based, in whole or in part, upon Title Data's records and information.

Under the terms of our contract with Title Data, we are permitted to provide you with the attached title insurance commitment **for limited use and distribution only**. Specifically, you are sublicensed to deliver, exhibit, or furnish the attached title insurance commitment (or any copies thereof) **ONLY** to your bona fide employees and a third party who is playing a bona fide role in this proposed real estate transaction, including a lawyer, a lender, a surveyor, a real estate broker or agent, and the parties to this proposed transaction.

For purposes of our agreement with Title Data, "deliver, exhibit, or furnish" includes, without limitation, copying this title insurance commitment (whether such copying be by means of a photocopier, facsimile machine, another electronic scanning device, or any other method of reproduction) and providing such copy to any third party.

Your furnishing of the attached title insurance commitment to anyone not specifically enumerated above is not permitted by our contract with Title Data and constitutes a breach of our sublicense to you. Your furnishing of the attached title insurance commitment to anyone not specifically enumerated above is also a violation of federal copyright law and Texas common law.

Therefore, as an express condition for us providing you with the attached title insurance commitment, you specifically agree to limit its uses to those set forth herein, and to provide a copy of this letter to any party to whom you deliver, exhibit, or furnish the attached title insurance commitment (or any copies thereof).

**IN THE EVENT YOU ARE UNABLE OR UNWILLING TO COMPLY WITH THESE CONDITIONS, IMMEDIATELY RETURN THE TITLE INSURANCE COMMITMENT TO OUR COMPANY, WITHOUT REVIEWING, COPYING, OR OTHERWISE UTILIZING IN ANY WAY THE INFORMATION CONTAINED THEREIN.**



*First American Title*

Commitment For Title Insurance T-7

ISSUED BY

**First American Title Insurance Company**

# Commitment

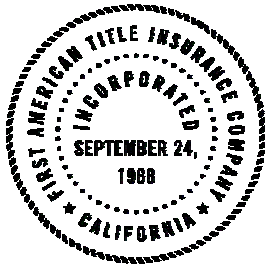
THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

We FIRST AMERICAN TITLE INSURANCE COMPANY 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.

---

**First American Title Insurance  
Company**



Dennis J. Gilmore  
President

Timothy Kemp  
Secretary

**First American Title Company**

By:

Authorized Countersignature (kab/CJB )

## TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.

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 seguro de título le asegura en relación a pérdidas resultantes de ciertos riesgos que pueden afectar el título de su propiedad.

El Compromiso para Seguro de Título es la promesa de la compañía aseguradora de títulos de emitir la póliza de seguro de título. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y enterderlo completamente antes de la fecha para finalizar su transacción.

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 in 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.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at 1-888-632-1642 or by calling the title insurance agent that issued the Commitment. Texas Department 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 and 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.

### CONDITIONS AND STIPULATIONS

1. 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.



*First American Title*

Commitment For Title Insurance T-7

ISSUED BY

**First American Title Insurance Company**

# SCHEDULE A

Effective Date: **April 23, 2012** at 8:00 a.m.

GF No. **1689267-HO29**

Commitment No. **1689267-HO29**, issued **May 09, 2012**, at 8:00 a.m.

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: \$  
PROPOSED INSURED:
  - (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: **STANDCO INDUSTRIES, INC., a Delaware corporation**
4. Legal description of land:  
  
See Exhibit "A" attached hereto and made a part hereof.

## EXHIBIT "A"

3.9347 acres (171,397 square feet) of land out of the S.M. Harris Survey, Abstract No.327, Harris County, Texas, being the same tract of land conveyed to Standco Industries, Inc. as Tract One in deed filed for record under Harris County Clerk's File No.C320499, and being more particularly described as follows, the basis of bearings being the Texas State Plane Coordinate Grid System, South Central Zone 4204:

BEGINNING at an "X" cut in the sidewalk at the intersection of the east right-of-way line of Jensen Drive, 80 feet wide, with the north right-of-way line of Clinton Drive, formerly Roanoke Street, 65 feet wide;

THENCE N.1°21'26"W. 322.00 feet along the east right-of-way line of Jensen Drive to a 5/8" iron rod with plastic cap stamped "KRE&S RPLS #3974" set for the northwest corner of the herein described tract of land;

THENCE N.88°12'34"E. 374.33 feet to the northwest corner of a tract of land saved and excepted from said Tract One to a 5/8" iron rod with plastic cap stamped "KRE&S RPLS #3974" set for a corner of the herein described tract of land;

THENCE S.1°21'26"E. 16.80 feet along the west line of said excepted tract to an "X" cut in concrete for a corner of the herein described tract of land;

THENCE N.88°12'34"E. 166.67 feet along the south line of said excepted tract to a 5/8" iron rod with plastic cap stamped "KRE&S RPLS #3974" set for the northeast corner of the herein described tract of land;

THENCE S.1°21'26"E. 305.20 feet to a 1" iron pipe found for the southeast corner of said Tract One and being in the north right-of-way line of said Clinton Drive;

THENCE S.88°12'34"W. 541.00 feet along the north right-of-way line of said Clinton Drive to the PLACE OF BEGINNING of the herein described tract of land.

Note: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.



*First American Title*

Commitment For Title Insurance T-7

ISSUED BY

**First American Title Insurance Company**

## SCHEDULE B

### EXCEPTIONS FROM COVERAGE

G.F. No. or File No. **1689267-H029**

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

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):  
  
See Item 10a below
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 the 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 2012, 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 of Title Insurance (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year 2012 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 of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only). Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance (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. Item No. 1, Schedule B, is hereby deleted.
  - b. Rights of Parties in Possession. (OWNER POLICY ONLY)
  - c. Rights of tenants, as tenants only, under unrecorded leases or rental agreements.
  - d. Matters as disclosed by the examination of survey prepared by Karen K. Rose, dated 5/7/2012:

Area of Conflict concerning a tract of land located within our subject property purported to be owned by Southern Pacific Railroad Co. under Harris County Appraisal District Facet Map Account # 042-216-001-0010

Boundary Gap issues involving our easterly property line and those of adjacent parcels known as Lot 5, Block 12 Wetmore Addition and Lots 1 through 5, Block 1 of Regent Park Section 2

- e. Easement: 10 feet wide, together with an unobstructed aerial easement 5 feet wide, from a plane 20 feet above the ground upward, located west of and adjoining said 10-foot wide easement  
To: Houston Lighting & Power Company  
Recorded: February 4, 1980 in County Clerk's File No. G416157, of the Official Public records, of Harris County, Texas.  
Purpose: electric distribution lines and other appurtenances
- f. Rights of the railroad company servicing the railroad siding and/or spur located on insured premises in and to the ties, rails and other properties constituting said railroad siding and/or spur or in and to the use thereof.
- g. Terms, conditions and stipulations set forth in any industrial track agreement or lease and rental agreements in favor of any railroad company for spur tracts located on subject property, as disclosed in Warranty Deed recorded under County Clerk's File No. C320499 in Volume 6393, Page 215 of the Deed Records of Harris County, Texas.
- h. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.





*First American Title*

## SCHEDULE C

Commitment For Title Insurance T-7

ISSUED BY

**First American Title Insurance Company**

G.F. No. or File No. **1689267-HO29**

Your Policy will not cover loss, costs, attorney's 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:
  - no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
  - 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, sub-contractors, laborers, and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
  - there is legal right of access to and from the land,
  - (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.
5. We find no outstanding voluntary liens of record affecting subject property. An inquiry should be made concerning the existence of any unrecorded lien or other indebtedness which could give rise to any security interest in the subject property.
6. Existing voluntary outstanding lien in excess of \$10,000,000.00 encumbering several tracts of land, including the subject property, disclosed in Cause No. 2010-36816 in 189th Judicial District Court of Harris County, Texas and in Cause No. 2010-48024 in 189th Judicial District Court of Harris County, Texas.

Order were signed in both cases in 2010 dismissing the cases without prejudice to the refileing of same.

Company requires a full release of the liens addressed in said suits as well as a Full Release of both of said suits and/or a Dismissal with Prejudice as to both suits.

7. Record a Release of Lien for City of Houston Paving Lien for Topping Project No. 256, by the City of Houston:  
Dated: January 18, 1972  
Recorded: January 26, 1972 in County Clerk's File No. D508763, of the Official Public records, of Harris County, Texas.  
Amount: \$Not Given
8. Record a Release of Federal Tax Lien:Recorded: June 23, 2010 in County Clerk's File No. 20100265226, of the Official Public records, of Harris County, Texas.  
Against: STANDCO INDUSTRIES, INC., a corporation  
Amount: \$153,428.42, together with interest and fees.  
Taxpayer Account No.: 74-1625212
9. Record a Release of Federal Tax Lien:Recorded: August 16, 2010 in County Clerk's File No. 20100348894, of the Official Public records, of Harris County, Texas.  
Against: STANDCO INDUSTRIES, INC., a corporation  
Amount: \$49,557.60, together with interest and fees.  
Taxpayer Account No.: 74-1625212
10. Record a Release of Mechanic's and Materialmen's Affidavit and Claim of Lien:  
Recorded: September 15, 2009 in County Clerk's File No. 20090421329, of the Official Public records, of Harris County, Texas.  
Claimant: Daniel J. Clift, as Credit Manager for McBride Electric  
Amount: \$10,608.50
11. Record a Release of Mechanic's and Materialmen's Affidavit and Claim of Lien:  
Recorded: February 8, 2012 in County Clerk's File No. 20120054140, of the Official Public records, of Harris County, Texas.  
Claimant: Adriana Velez, for K & F Demolition, Inc.  
Amount: \$5,952.16
12. Chapter 11 Bankruptcy Proceedings - Upon review of the proceedings, additional requirements may be made.  
Debtor: STANDCO INDUSTRIES, INC.  
Tax ID No./Social Security No.: 74-1625212  
Case No.: 2010-37364  
Docket Sheet included in Schedule C package for review.
13. We require the execution of an Affidavit as to Debts and Liens by the record owners on the form promulgated by the Title Company.
14. We must be furnished with a Corporate Resolution of the Board of Directors of STANDCO INDUSTRIES, INC., authorizing the transaction and naming the officers authorized to execute the necessary documents.  
  
NOTE: Closer should be satisfied as to the corporate status of said corporation and that same is in good standing.
15. Furnish the names of the parties to be insured herein. Upon receipt of same, the company may have additional requirements.
16. Obtain written verification from seller that subject property is or is not located within Industrial District. The City of Houston assesses fees against properties located within designated Industrial Districts which are not considered Ad-Valorem taxes and are collected separately from any other taxes or assessments.
17. Furnish a Category 1A survey of the property to be prepared by a Registered Public Surveyor acceptable to this Company. When same is submitted to the Title Department for inspection and approval, additional exceptions and/or requirements may be added.

Currently, Harris County Appraisal District maps show a portion of the subject property as being in Union Pacific Railroad (042-216-001-0010). Therefore, tax account 042-216-001-0001 does not cover that portion of the subject property depicted as R4 on Appraisal District map.

No deed has been found of record conveying in fee any portion of the subject property to any railroad.

18. The right is reserved to make and insert additional exceptions and/or requirements based upon the review of the survey, up to and including the issuance of the Policy.
19. The following is furnished for informational purposes only and no liability shall attach to the company for any mistake or omission contained therein:

According to a search made of records within our title plant we find no document evidencing a conveyance of the property described in Schedule "A" within the 36 months prior to the Effective Date of this commitment.



*First American Title*

Commitment For Title Insurance T-7

ISSUED BY

**First American Title Insurance Company**

**SCHEDULE D**

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

**UNDERWRITER:** First American Title Insurance Company, a California Corporation.

Shareholder owning or controlling, directly or indirectly, ten percent or more of the shares of the Underwriter: First American Title Insurance Company is a wholly owned subsidiary of First American Financial Corporation, a public company formed in Delaware.

Directors: Dennis J. Gilmore and Timothy V. Kemp

Officers: President: Dennis J. Gilmore; Senior Vice President, Secretary: Timothy V. Kemp; and Chief Financial Officer: Max O. Valdes

2. The following disclosures are made by the Title Insurance Agent issuing this Commitment:

**AGENT: First American Title Company, LLC**

Shareholder, owner, partner or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent: FATCO Holdings, LLC 100%

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:

FATCO Holdings, LLC 100%

If the Title Insurance Agent is a corporation, the following is a list of the members of the Board of Directors:

Managers: Curtis A. Caspersen, Chester C. Carmer III, Michael C. Savas.

If the Title Insurance Agent is a corporation, the following is a list of its officers:

President: Chester C. Carmer III; Secretary, Michael C. Savas; Treasurer, Robin P. Gilroy

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	\$ _____
Loan Policy	\$ _____
Endorsement Charges	\$ _____
Other	\$ _____
Total	\$ _____

Of this total amount \$ \_\_\_\_\_ (or \_\_\_\_ %) will be paid to the policy issuing Title Insurance Company; \$ \_\_\_\_\_ (or \_\_\_\_ %) will be retained by the Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

Amount	To Whom	For Service
\$ _____ (or _____ %)	_____	_____
\$ _____ (or _____ %)	_____	_____
\$ _____ (or _____ %)	_____	_____

\* 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."

"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 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 Policy	\$ _____
Mortgagee Policy	\$ _____
Endorsement Charges	\$ _____
Total	\$ _____

Of this total amount 15% will be paid to the policy issuing Title Insurance Company; \$ \_\_\_\_\_ or 35% (complete only one) 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>	<u>To Whom</u>	<u>For Services</u>
<u>50%</u>	<u>William V. Condrey, P. C.</u>	<u>Closing the Transaction</u>
\$ _____ or _____ % (complete only one)	_____	_____
\$ _____ or _____ % (complete only one)	_____	_____

\*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.



*First American Title*

## **FIRST AMERICAN TITLE INSURANCE COMPANY**

### **Commitment for Title Insurance Form (T-7)**

#### **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



#### Privacy Information

##### We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

##### Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

##### Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

##### Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

##### Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

##### Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

##### Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.

In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

##### Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

##### Cookies

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.

[FirstAm.com](http://FirstAm.com) uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

##### Fair Information Values

**Fairness** We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

**Public Record** We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

**Use** We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

**Accuracy** We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

**Education** We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

**Security** We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

**IMPORTANT NOTICE**

To obtain information or make a complaint:

You may call First American Title Insurance Company's toll-free telephone number for information or to make a complaint at:  
**1-888-632-1642**

You may also write to First American Title Insurance Company at:

**1 First American Way  
Santa Ana, California 92707**

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 the Texas Department of Insurance:

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](mailto:ConsumerProtection@tdi.state.tx.us)

**PREMIUM OR CLAIM DISPUTES:**

Should you have a dispute concerning your premium or about a claim you should contact First American Title Insurance 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 First American Title Insurance Company's para informacion o para someter una queja al:  
**1-888-632-1642**

Usted tambien puede escribir a First American Title Insurance Company:

**1 First American Way  
Santa Ana, California 92707**

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 Departamento de Seguros de Texas:

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](mailto:ConsumerProtection@tdi.state.tx.us)

**DISPUTAS SOBRE PRIMAS O RECLAMOS:**

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el First American Title Insurance Company 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.

Form 50-TXNOTICE (11-1-09)	Page 1 of 1	Mandatory Complaint Notice (11-1-09) Texas
----------------------------	-------------	---