

**COMMITMENT FOR TITLE INSURANCE**

Issued By

***Stewart Title Guaranty Company***

**SCHEDULE A**

Effective Date: **May 8, 2012, 8:00 am**

GF No. **1233033**

Commitment No. \_\_\_\_\_, issued **May 21, 2012, 5:00 pm**

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: **Frontier Bank of Texas**  
Proposed Borrower: **William E. Frazier**
- (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:  
**William E. Frazier**

4. Legal description of the land:  
**5.600 acres of land, more or less, out of the STERLING C. ROBERTSON SURVEY, ABSTRACT NO. 52, in Milam County, Texas, being the same property described in Deed dated April 24, 2007, executed by Vernon D. Williams to William E. Frazier, recorded in Volume 1041, Page 271, Official Records of Milam County, Texas, being more particularly described by metes and bounds in Exhibit "A" attached hereto and made a part hereof for all purposes.**

**The Company is prohibited from insuring the area or quantity of 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.**

**EXHIBIT "A"**

In Re: 5.600 Acres  
Sterling C. Robertson Survey, A-52  
Milam County, Texas



All that certain tract or parcel of land situated in Milam County, Texas, being a part of the Sterling C. Robertson Survey, Abstract No. 52 and being all of a 5.60 acre tract (5.600 acres surveyed by me this date) as conveyed from Ottaco Acceptance, Inc. to Vernon D. Williams by Deed dated June 22, 2004 and being recorded in Volume 943, Page 700 of the Official Records of said Milam County and being and being more particularly described by metes and bounds as follows, to wit:

BEGINNING at an iron pin found on the East line of County Road No. 308 for the Northwest corner of a Thomas White, et ux 2.80 acre tract (738/193) add for the Southwest corner of this tract;

THENCE N19°02'00"W - 331.50 feet with the East line of said County Road No. 308 to an iron pin found for the Southwest corner of a Chad B. Pyeatt 1.40 acre tract (1020/640) and for the Northwest corner of this tract;

THENCE N71°00'00"E - 736.87 with the South line of said Pyeatt 1.40 acre tract and a Jeffrey Niemann 4.20 acre tract (919/763), respectively, to an iron pin found on the West line of a Annie Pearl Davis 5.32 acre residue tract (232/463) for the Southeast corner of said 4.20 acre tract and for the Northeast corner of this tract;

THENCE S18°40'29"E - 331.51 feet with the West line of said Davis 5.32 acre residue tract to an iron pin found for the Northeast corner of a Danny Jeter, et ux 2.80 acre tract (738/185) and for the Southeast corner of this tract;

THENCE S71°00'00"W (Deed Bearing) - 734.80 feet with the North line of said Jeter 2.80 acre tract and said White 2.80 acre tract, respectively, to the PLACE OF BEGINNING and containing 5.600 Acres of Land.

I, W. L. Ferguson, Registered Professional Land Surveyor No. 2547 in the State of Texas, do hereby certify that the above survey was performed on the ground under my supervision and the field notes hereon are true and correct to the best of my knowledge.

Given under my hand and seal this 3rd day of April, 2007.



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### SCHEDULE B

#### EXCEPTIONS FROM COVERAGE

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

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

**Covenants, conditions, reservations, easements, building lines and restrictions as set forth in instrument recorded in Volume 765, Page 153, Official Records of Milam County, Texas. NOTE: To the extent that these restrictions violate 42USC3604(c) by indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin, such restrictions are hereby omitted.**

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 **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 (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year \_\_\_\_\_ and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)
8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)

9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy (T-2R). (Applies to Texas Short Form Residential Loan Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy (T-2R).
10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
- a. **Rights of parties in possession. (Owner's Policy Only)**
  - b. Such presently valid and subsisting easements, if any, to which the above property is subject, as may be actually located upon the ground, which are not of record.
  - c. Any portion of the property herein described which falls within the boundaries of any road or roadway.
  - d. 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.
  - e. The tax certificate furnished by the taxing authorities is issued on real property only. It does not include taxes on the mineral estate and/or personal property, therefore, no liability is assumed hereunder for the payment of said taxes on the mineral estate and/or personal property.
  - f. Covenants, conditions, reservations, easements, building lines and restrictions as set forth in instrument recorded in Volume 765, Page 153, Official Records of Milam County, Texas. NOTE: To the extent that these restrictions violate 42USC3604(c) by indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin, such restrictions are hereby omitted.
  - g. Easements, right of ways and other matters affecting the Oak Creek Estates Subdivision, as shown on plat recorded in Volume 727, Page 213, Official Records of Milam County, Texas.
  - h. Easement granted to Texas Power and Light Company, recorded in Volume 220, Page 40, Deed Records of Milam County, Texas, together with all rights incident thereto. TITLE to said interest not checked subsequent to date of such document.
  - i. Easement dated August 23, 1996, executed by Richard Thrasher to Southwest Milam Water Supply Corporation, recorded in Volume 736, Page 75, Official Records of Milam County, Texas, together with all rights incident thereto. TITLE to said interest not checked subsequent to date of such document.
  - j. Mineral and/or Royalty Reservation appearing in Deed dated December 30, 1937, executed by Jesse Lowenstein to Jack M. Crump, recorded in Volume 222, Page 185, Deed Records of Milam County, Texas, together with all rights incident thereto. TITLE to said interest not checked subsequent to date of such document.
  - k. Mineral and/or Royalty Reservation appearing in Deed dated April 4, 1948, executed by J. O. Noark to J. K. Crump, recorded in Volume 260, Page 531, Deed Records of Milam County, Texas, together with all rights incident thereto. TITLE to said interest not checked subsequent to date of such document.
  - l. Mineral and/or Royalty reservation appearing in Correction Warranty Deed dated April 18, 1996, executed by Mary Frances Crump Howell, as Trustee of the Mary Frances Crump Howell Trust dated December 29, 1983 to Richard Thrasher and Gloria Thrasher, recorded in Volume 727, Page 206, Official Records of Milam County, Texas, together with all rights incident thereto. TITLE to said interest not checked subsequent to date of such document.

- m. **Right of Way Easement dated August 23, 1996, effective January 2, 1996, executed by Richard Thrasher to Southwest Milam Water Supply Corporation, recorded in Volume 736, Page 75, Official Records of Milam County, Texas, together with all rights incident thereto. TITLE to said interest not checked subsequent to date of such document.**

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### *Stewart Title Guaranty Company*

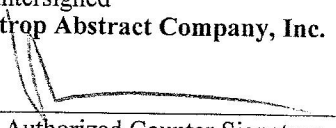
#### SCHEDULE C

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 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. **Vendor's Lien retained in Deed dated April 24, 2007, executed by VERNON D. WILLIAMS, to WILLIAM E. FRAZIER, recorded in Volume 1041, Page 271. Official Records of Milam County, Texas, securing the payment of one certain note for the principal sum of                      payable to the order of FIRST NATIONAL BANK OF CAMERON; further secured by Deed of Trust of even date therewith to RICHARD E. WILLIAMS, JR., Trustee, recorded in Volume 1041, Page 277, Official Records of Milam County, Texas.**
6. **Secure Designation of Homestead Affidavit, in recordable form.**
7. **Secure Affidavit in Lieu of New Survey, that no improvements have been added or changes made to subject property since the date of the last survey, dated April 3, 2007, or secure New Survey.**
8. **Payment of any and all taxes now due and payable up to and including the year 2011.**
9. **"Rights of parties in possession" shown in Schedule B of this commitment will be deleted from the Owner's Title Policy ONLY if an inspection is made and paid for which shows no parties in possession other than the purchasers. If such an inspection is not required, then purchaser must sign a Waiver of Inspection and acknowledge that they understand that the Owners Title Policy will be issued subject to the rights of parties in possession.**
10. **\$ \_\_\_\_\_ for tax information.**
11. **Affidavit as to Debts and Liens.**
12. **Notification 48 hours prior to closing for update on title information.**
13. **NOTICE: State law requires that the Title Company have good funds prior to disbursements on any transaction. Good funds include cash, wire transfers to our escrow account, certified checks and cashier's checks. Please arrange**

for good funds so the Title Company might disburse on the date of the closing.

Countersigned  
**Bastrop Abstract Company, Inc.**

By   
Authorized Counter Signature