

TEXAS ASSOCIATION OF REALTORS® COMMERCIAL PROPERTY CONDITION STATEMENT

UBE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORSE IS NOT AUTHORIZED.

STEAMS ASSOCIATION OF REALTORSE, Inc. 2005

CONCERNING THE PROPERTY AT: 8711 Highway 35, Liverpool, THIS IS A DISCLOSURE OF THE SELLER'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED. IT IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES A BUYER OR TENANT MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER, SELLER'S AGENTS, OR ANY OTHER AGENT. PART I - Complete if Property is improved or Unimproved Not Aware Aware Are you (Seller) aware of: (1) any of the following environmental conditions on or affecting the Property: (a) radon gas? 🗀 (b) asbestos components: (i) friable components? □ (d) endangered species of their habitat? (e) wetlands? underground storage tanks? hazardous materials or toxic waste? open or closed landfills on or under the surface of the Property?..... . (k) external conditions materially and adversely affecting the Property such as nearby landfills, smelting plants, burners, storage facilities of toxic or hazardous materials, refiners, utility transmission lines, mills, feed lots, and the like? any activity relating to drilling or excavation sites for oil, gas, or other minerals?..... previous environmental contamination that was on or that materially and adversely (2) affected the Property, including but not limited to previous environmental conditions (5) any fault line or near the Property that materially and adversely affects the Property? (6) outstanding mineral rights, exceptions, or reservations of the Property held by others? (8) unrecorded or unplatted agreements for easements, utilities, or access on or to the Property? Page 1 of 4 Initialed by Buyer or Tenent: _ (TAR-1408) 10-18-05

Toxas Star Realty 930 Walnut Street, Columbus TX 78934 Phone: 9797338200 Fex: (979) 733-9009

Dee Brabham

Baca Liverpool

Comme	rcial	Property Condition Statement concerning 8711 Highway 35, Liverpool.		
			Aware	Not Aware
(9)	spec distr	cial districts in which the Property lies (for example, historical districts, development icts, extraterritorial jurisdictions, or others)?	🗖	a ,
		ding changes in zoning, restrictions, or in physical use of the Property?		T
	you blat	r receipt of any notice concerning any likely condemnation, planned streets, aways, railroads, or developments that would materially and adversely affect the perty (including access or visibility)?		e
(12)	law:	suits affecting title to or use or enjoyment of the Property?	🗖	Ø
	VOL	r receipt of any written notices of violations of zoning, deed restrictions, or emment regulations from EPA, OSHA, TCEQ, or other government agencies?		ø,
(14)	com	mon areas of facilities affiliated with the Property co-owned with others?	🔲	
(15)	Prop if av	owners' or tenants' association or maintenance fee or assessment affecting the perty? ware, name of association:	_	Ø
(4.0)			m	 /
		surface structures, hydraulic lifts, or pits on the Property?		- F3
		material defect in any irrigation system, fences, or signs on the Property?		<u> </u>
		ditions on or affecting the Property that materially affect the health or safety of		
(,0,	an d	ordinary individual?	🗖	I
If yo	ou ar	e aware of any of the conditions listed above, explain. (Attach additional Information if a	needed.)	
		Complete only if Property is Improved		
	•	(Seller) aware of any material defects in any of the following on the Property?	Not	Not
(1)		actural Items:	Aware	<u>Appl</u>
	(a)	foundation systems (slabs, columns, trusses, bracing, crawl spaces, plers, beams, footings, retaining walls, basement, grading)?	_	
		exterior walts? 🛄		
	(c)	fireplaces and chimneys?	\square	
	• ′	roof, roof structure, or attic (covering, flashing, skylights, insulation, roof penetrations, ventilation, gutters and downspouts, decking)?	ø	, 🗖
	(e)	windows, doors, plate glass, or canopies?	2	
			7.1	
/TAR-1	408V	10-18-05 Initialed by Buyer or Tenant:, and Seiler	5 F	Page 2 of
/ 12 N N - 1	144)	Produced with ZipForm® by zipLook 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLook.com		aca Liverpoo

Co	mme	rcial	Property Condition Statement concerning 8711 Highway 35, Liverpool,			· .
	(3) (4) (5)	Platodefichil Heroteachen Colore	Property Condition Statement concerning 8711 Eighway 35, Liverpool. mbing Systems: water heaters or water softeners? supply or drain lines? faucets, fixtures, or commodes? private sewage systems? pools or spas and equipments? sprinkler systems? water coolers? private water wells? pumps or sump pumps? AC Systems: any cooling, heating, or ventilation systems? cirical Systems: service drops, wiring, connections, conductors, plugs, unds, power, polarity, switches, light fixtures, or junction boxes? er Systems or Itlems: security or fire detection systems? gas lines? gas lines? garage doors and door operators? loading doors or docks? ralls or overhead cranes? elevators or escalators? parking areas, drives, steps, walkways? appliances or built-in kitchen equipment? are aware of material defects in any of the items listed under Paragral Information if needed.)		Not a manage and manag	
В.		any affe (a) (b) (c)	(Seller) aware of: of the following water or drainage conditions materially and adversely ecting the Property: ground water? water penetration? previous flooding or water drainage?		🗀	Not Awara
(1	AR-1	408)	10-18-05 Initialed by Buyer or Tenant:, and Seller, and Seller, / Produced with ZipForm® by zipLogix 18070 Fifteen Mile Road, Frazer, Michigan 48026 www.zipLogix.com	<u> </u>		nge 3 of 4 ca Liverpool

Comm	nercial Property Condition Statement concerning <u>8711 Highway 35. Liverpool</u>	<u> </u>	
		Aware	Not <u>Aware</u>
(2)	previous structural repair to the foundation systems on the Property?		Ø
(3)	settling or soil movement materially and adversely affecting the Property?	, 🗖	7
(4)	pest infestation from rodents, Insects, or other organisms on the Property?		Æ
(5)			7
(6)	mold to the extent that it materially and adversely affects the Property?	🗖	Ø
(7)	mold remediation certificate issued for the Property in the previous 5 years if yes, attach a copy of the mold remediation certificate.	7 🗖	Ø
(8)	previous termite treatment on the Property?	🗖	Ø
(9)	previous fires that materially affected the Property?	🔲	2
(10	0) modifications made to the Property without necessary permits or not in cor with building codes in effect at the time?	npliance	Ø
(1	1) any part, system, or component in or on the Property not in compliance with the Americans with Disabilities Act or the Texas Architectural Barrier Statu	h te?'	
	you are aware of any conditions described under Paragraph B, explain.		rmetion,
_	-		
_		-	
		<u> </u>	
Selle		Date: 8.309	
	Billy Mice	000	
Selle		Date: 0301	
	Robin Baca		
The	undersigned acknowledges receipt of the foregoing statement.		
Buve	er or Tenant:)ate:	
/`	- · · · · · · · · · · · · · · · · · · ·		
Buve	er or Tenant:)ate:	
,-			

NOTICE TO BUYER OR TENANT: The broker representing Seller and the broker representing you advise you that this statement was completed by Seller, as of the date signed. The brokers have relied on this statement as true and correct and have no reason to believe it to be false or inaccurate. YOU ARE ENCOURAGED TO HAVE AN INSPECTOR OF YOUR CHOICE INSPECT THE PROPERTY.



TEXAS ASSOCIATION OF REALTORS®

INFORMATION ABOUT ON-SITE SEWER FACILITY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORSO IS NOT AUTHORIZED.

CTIONAL Association of REALTORSO, INC., 2004

CO	ONCERNING THE PROPERTY AT Liverpool,					
<u> — </u>						
	(1) Type of Treatment System: 🔟 Septic Tank 🔲 Aerobic Treatment	Unknown				
	(2) Type of Distribution System: dhaw line	_ Unknown				
	(3) Approximate Location of Drain Field or Distribution System:					
	(4) Installer:	- _ ∭ rUnknown				
	(5) Approximate Age:	•				
В.						
	If we name of maintenance contractor	Yes No				
	Phone: contract expiration date: Maintenance contracts must be in effect to operate aerobic treatment and certain non-st sewer facilities.)					
	(2) Approximate date any tanks were last pumped?	,				
	(3) Is Seller aware of any defect or maifunction in the on-site sewer facility? If yes, explain:	Yes No				
	(4) Does Seller have manufacturer or warranty information available for review?	Yes No				
C.	. PLANNING MATERIALS, PERMITS, AND CONTRACTS:					
b	(1) The following Items concerning the on-site sewer facility are attached: planning materials: permit for original installation final inspection when OSSF was in maintenance contract manufacturer information warranty information					
	(2) "Planning materials" are the supporting materials that describe the on-site sewer facility that are submitted to the permitting authority in order to obtain a permit to install the on-site sewer facility.					
	(3) It may be necessary for a buyer to have the permit to operate an on-site transferred to the buyer.	sewer facility				
•	AR-1407) 1-7-04 Initialed for Identification by Buyer, and Selle,	Page 1 of 2				
Text	exas Star Realty 930 Wahmt Street, Columbus TX 78934					

Phone: 9797338200 Fax: (979) 733-9009

Dec Brabham

Baca Liverpool

	8711 Highway 35
Information about On-Site Sewer Facility concerning	Liverpool,

D. INFORMATION FROM GOVERNMENTAL AGENCIES: Pamphiets describing on-site sewer facilities are available from the Texas Agricultural Extension Service. Information in the following table was obtained from Texas Commission on Environmental Quality (TCEQ) on 10/24/2002. The table estimates daily wastewater usage rates. Actual water usage data or other methods for calculating may be used if accurate and acceptable to TCEQ.

<u>Facility</u>	Usage (gal/day) without water- saving devices	Usage (gal/day) with water- saving devices
Single family dwelling (1-2 bedrooms; less than 1,500 sf)	225	180
Single family dwelling (3 bedrooms; less than 2,500 sf)	300	240
Single family dwelling (4 bedrooms; less than 3,500 sf)	375	300
Single family dwelling (5 bedrooms; less than 4,500 sf)	450	360
Single family dwelling (6 bedrooms; less than 5,500 sf)	525	420
Mobile home, condo, or townhouse (1-2 bedroom)	225	180
Mobile home, condo, or townhouse (each add'i bedroom)	7 5	60

This document is not a substitute for any inspections or warranties. This document was completed to the best of Selier's knowledge and belief on the date signed. Selier and real estate agents are not experts about on-site sewer facilities. Buyer is encouraged to have the on-site sewer facility inspected by an inspector of Buyer's choice.

Signature of Seller

Billy Baca

Date

Signature of Seller Robin Baca

Receipt acknowledged by:

Signature of Buyer

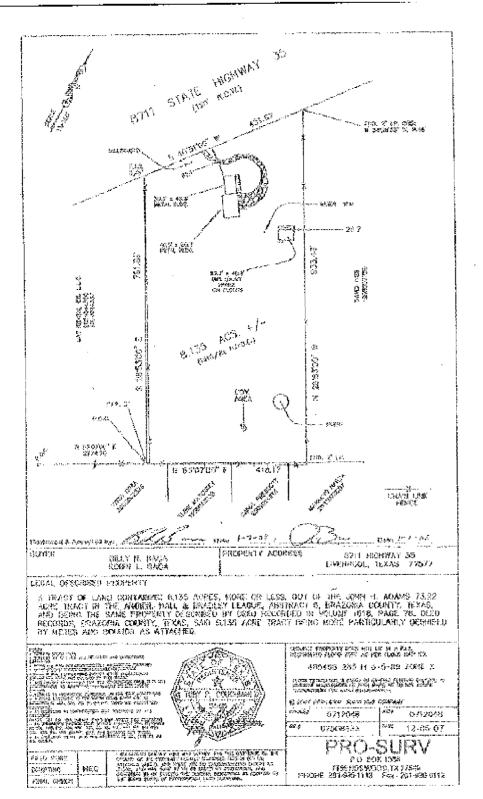
Date

Signature of Buyer

Date

(TAR-1407) 1-7-04

Page 2 of 2



FIELD NOTES OF A SURVEY OF

A tract of land containing 8.135 acres, more or less, out of the John H. Adams 73.22 acre tract in the Angier, Hall and Bradley League, Abstract 6, Brazoria County, Texas, and being the same property described by Deed recorded in Volume 1618, Page 78, Deed Records, Brazoria County, Texas, said 8.135 acre tract being more particularly described by metes and bounds as follows:

COMMENCING at the intersection of the South line of a 20 acre tract described in Volume 741, Page 490, Deed Records, Brazoria County, Texas, with the West line of said Angier, Hall and Bradley League;

THENCE North 63°07'00" East, a distance of 2774.70 feet to a 2 inch iron pipe found marking the Southwest corner and POINT OF BEGINNING of the herein described tract;

THENCE continue North 63°07'00" East, a distance of 418.17 feet to a 2 inch iron pipe found marking the Southeast corner of the herein described tract;

THENCE North 26°53'00" West, a distance of 933.48 feet to the Northeast corner of the herein described tract, in the Southeasterly right-of-way line of State Highway 35 (120' R.O.W.), from which point a 2 inch iron pipe found bears North 34°28'58" West, a distance of 2.45 feet;

THENCE South 40°51'00" West, along said Southeast line, a distance of 451.87 feet to a 5/8 inch iron rod found marking the Northwest corner of the herein described tract;

THENCE South 26°53'00" East, a distance of 761.86 feet to the POINT OF BEGINNING and containing 8.135 acres of land, more or less.



GENERAL WARRANTY DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL 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

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

THE COUNTY OF BRAZORIA

THAT DENNIS R. FERGUSON, Individually and d/b/a FERGUSON SNAX SALES and wife, LINDA D. FERGUSON, hereinafter called "Grantor" (and referred to in the singular, whether one or more), for and in consideration of the sum of Ten and No/100 DOLLARS (\$10.00) cash and other good and valuable consideration in hand paid by BILLY R. BACA and wife, ROBIN L. BACA, whose mailing address is P. O. Box 907, Van Vleck, Texas 77482, hereinafter called "Grantee" (and referred to in the singular, whether one or more), the receipt of which is hereby acknowledged; and the further consideration of the EXECUTION and DELIVERY by Grantee herein of his one certain Promissory Note of even date herewith for the principal sum of ONE HUNDRED THIRTY THOUSAND AND NO/100 DOLLARS (\$130,000.00), bearing interest and payable as therein provided to the order of Grantor herein, and containing customary acceleration of maturity, past due interest and attorney's fees clauses; said Note being secured by a Vendor's Lien hereinafter retained upon the property hereby conveyed and being additionally secured by the Lien of a Deed of Trust of even date herewith to MALCOLM S. MORRIS, Trustee, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY unto Grantee all that certain lot, tract or parcel of land together with all improvements thereon, lying and being situated in Brazoria County, Texas, described as follows, to-wit:

8.135 acres, more or less, out of the John H. Adams 73.22 acre tract in the Angier, Hall and Bradley League, Abstract 6, Brazoria County, Texas, and being the same property described by Deed recorded in Volume 1618, Page 78, Deed Records, Brazoria County, Texas, and being more fully described by metes and bounds on Exhibit "A" attached hereto and incorporated herein by reference for any and all purposes.

This conveyance is made and accepted subject to any and all easements, rights of way, valid restrictions, mineral reservations of any kind, maintenance charges, building set back lines, and governmental regulations, if any, to the extent, but only to the extent that they are reflected by the records of the Office of the County Clerk of the above mentioned County and State.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in any wise belonging, unto Grantee, his heirs and assigns, forever; and, Grantor does hereby bind himself, his heirs, executors and administrators, to WARRANT and FOREVER DEFEND, all and singular the said premises unto Grantee, his heirs and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof.

When Grantor and/or Grantee are more than one entity, the pertinent nouns, verbs and pronouns shall be construed to correspond. When Grantor and/or Grantee are a corporation, a trustee or other legal entity that is not a natural person, the pertinent words "heirs, executors and administrators" and/or "heirs and assigns" shall be construed to mean "successors and assigns," respectively. Reference to any gender shall include either gender and, in the case of a legal entity that is not a natural person, shall include the neuter gender, all as the case may be.

But it is expressly agreed and stipulated that Vendor's Lien is retained in favor of Grantor who will hold superior title in and to the above described property, premises and improvements, and the title in the Grantee will not become absolute until the above described Note, together with all renewals and extensions thereof, and all interest and other charges therein stipulated, are fully paid, according to the face and tenor, effect and reading thereof, when this Deed shall become absolute.

EXECUTED this the ______ day of January, A.D. 2008.

DENNIS R. FERGUSON, Individually and d/b/a

FERGUSON SNAX SALES

THE STATE OF TEXAS

COUNTY OF BRAZORIA

This instrument was acknowledged before me, on this the _____ day of January, A.D. 2008 by DENNIS R. FERGUSON d/b/a FERGUSON SNAX SALES.

SHERYL BROWN
Noticy Public, State of Towar
My Commission Expires 03-12-2008

OTARY PUBIOC, STATE OF TEXAS

Page 2 of 3

THE STATE OF TEXAS

COUNTY OF BRAZORIA

This instrument was acknowledged before me, on this the _____ day of January, A.D. 2008 by LINDA D. FERGUSON.



NOTARY PUBLIC, STATE OF TEXAS

AFTER RECORDING, RETURN TO: BILLY R. BACA and ROBIN L. BACA, P. O. Box 907, Van Vleck, Texas 77482