

**COMMITMENT FOR TITLE INSURANCE**

**SCHEDULE A**

Effective Date: **April 30, 2013, 8:00 am**

G.F. No. or File No. **1312264-LCSA**

Commitment No. \_\_\_\_\_ issued: **May 7, 2013, 8:00 am**  
(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:  
PROPOSED INSURED:
  - (b) TEXAS RESIDENTIAL OWNER POLICY OF TITLE INSURANCE -  
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)  
Policy Amount:  
PROPOSED INSURED: **Brandon Lawrence Gomez and Claire Katherine Peterson**
  - (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)  
Policy Amount:  
PROPOSED INSURED: **Legacy Mutual Mortgage**  
Proposed Borrower: **Brandon Lawrence Gomez and Claire Katherine Peterson**
  - (d) TEXAS SHORT FORM RESIDENTIAL MORTGAGEE POLICY OF TITLE INSURANCE (Form T-2R)  
Policy Amount:  
PROPOSED INSURED:  
Proposed Borrower:
  - (e) MORTGAGEE 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:  
**Secretary of Veterans Affairs, an Officer of the United States of America**
4. Legal description of the land:  
**Lot 28, Block 3, New City Block 18309, ENCLAVE IN THE WOODS SUBDIVISION, situated in the City of San Antonio, according to the map or plat thereof, recorded in Volume 9563, Pages 64-65, Deed and Plat Records, Bexar County, Texas.**

## COMMITMENT FOR TITLE INSURANCE

### SCHEDULE B

#### EXCEPTIONS FROM COVERAGE

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

1. The following restrictive covenants of record itemized below (We must either insert specific recording data or delete this exception):  
  
**Volume 9563, Pages 64-65, Deed and Plat Records, Volume 11421, Page 43 and Volume 11421, Page 93, Real Property Records, Bexar County, Texas, but omitting any covenant or restriction based on race, color, religion, sex, disability, handicap, familial status or national origin.**
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 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 Policy only.)
5. Standby fees, taxes and assessments by any taxing authority for the year **2013**, 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 Mortgagee 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 Mortgagee 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 Mortgage Policy (T-2R). (Applies to Texas Short Form Residential Mortgage Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Mortgage 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 Policy)**
  - b. **Any visible and apparent easement, either public or private, located on or across the land, the existence of which is not disclosed by the Public Records as herein defined.**
  - c. **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.**
  - d. **Rights of tenants, as tenants only, under any and all unrecorded leases or rental agreements. *(NOTE: This item can be deleted upon receipt of an Affidavit executed by the seller evidencing there are not any outstanding leases or rental agreements. If the Affidavit reveals unrecorded outstanding leases or rental agreements the exception may be modified to make specific exception to those matters.)***
  - e. **20' building setback line along the Live Oak Vista property lot line as shown on the recorded plat and dedication set out in Schedule A hereof.**
  - f. **Building setback lines as set forth in instrument recorded in Volume 11421, Page 93, Real Property Records, Bexar County, Texas.**
  - g. **Easements for installation, maintenance, repair and replacement of utilities, drainage, encroachments and protrusions, together with rights and remedies of Declarant, including but not limited to terms, conditions, covenants, options, provisions and other matters contained in Declaration of Covenants, Conditions and Restrictions, recorded in Volume 11421, Page 43, Real Property Records, Bexar County, Texas.**
  - h. **Easement as shown on the plat and dedication set out in Schedule A hereof:**
    - Purpose: electric, gas, telephone and cable television**
    - Location: 10' wide along the front property lot line**
  - i. **Easements for installation, maintenance, repair and replacement of utilities and drainage facilities, encroachments, ingress and egress, perimeter wall maintenance, landscaping, construction and all other matters, together with rights and remedies of Declarant, including but not limited to terms, conditions, covenants, options, provisions and other matters contained in Declaration of Covenants, Conditions and Restrictions, recorded in Volume 11421, Page 43, Real Property Records, Bexar County, Texas.**
  - j. **Maintenance Charges and/or Assessments as provided for in instrument(s) recorded in Volume 11421, Page 43, Volume 12579, Page 1726, Volume 12888, Page 1794, Volume 14719, Page 28, Volume 15843, Page 1493, Volume 15843, Page 1495, Volume 15843, Page 1497 and Volume 15915, Page 544, Real Property Records, Bexar County, Texas. Said charges and assessments are subordinate to the lien of any mortgage or mortgages as set out therein. (Village in the Woods Homeowners Association, Inc. / VW Homeowners Association, Inc./Enclave in the Woods)**
  - k. **All leases, grants, exceptions or reservation of coal, lignite, oil, gas and other mineral, 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.**



## 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 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 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 subject property.**
6. **Company requires payment in full of any and all assessments due and payable to the prevailing homeowners or maintenance association. (Note to Closer: If the proposed lender is requesting the T-19 Restrictions, Encroachments and Minerals Endorsement, please review the Schedule B assessment lien exception to confirm the lien securing HOA assessments is subordinate to the mortgage to be insured herein.)**
7. **Please furnish the names of the parties to be insured herein. Upon receipt of said names, additional requirements may be made.**
8. **NOTICE: Title Company is unwilling to issue the Title Policy without the general mineral exception(s) set out in Schedule B hereof pursuant to Procedural Rule P-5.1. Optional endorsements (T19.2 and T19.3) insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase upon request of the Proposed Insured. Neither this Policy, nor the optional endorsements, insure that the purchaser has title to the mineral rights related to the surface estate. The promulgated cost for each endorsement is \$50. Note to closer: Owner's policy premium must be calculated per Rate Rule R-36 when Schedule B includes this general mineral exception and the exception is not limited to Loan Policy only.**
9. **Payment of any and all ad valorem taxes which may be due and payable on the subject property.**
10. **Company requires Owner, Seller and/or Borrower to complete an Affidavit of Debts and Liens prior to the issuance of the Title Insurance Policy.**
11. **Company must be furnished with a properly executed Waiver of Inspection signed by the Purchaser.**

- 12. **Good Funds in an amount equal to all disbursements must be received and deposited before any funds may be disbursed. Partial disbursements prior to the receipt and deposit of good funds are not permitted. Good Funds means cash, wire transfer, certified checks, cashier's checks and teller checks.**
  
- 13. **ARBITRATION: The Owner Policy of Title Insurance (Form T-1) and the Loan Policy of Title Insurance (Form T-2) contain an arbitration provision. It allows the Insured or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If the insured wants to retain the right to sue the Company in case of a dispute over a claim, the Insured must request deletion of the arbitration provision before the Policy is issued. The Insured may do this by signing the Deletion of Arbitration Provision form and returning it to the Company at or before the closing of the real estate transaction or by writing to the Company. {The Arbitration Provision may not be deleted on the Texas Residential Owner Policy of Title Insurance (Form T-1R).}**
  
- 14. **NOTICE: Pursuant to Procedural Rule P-71, Company may, upon request, issue a T-53 Texas Residential Limited Coverage Chain of Title Policy covering a period of 60 months, showing the following documents filed in the Real Property Records of Bexar County, Texas; Volume 15540, Page 550 : Previous Deed - Volume 15485, Page 1700, Real Property Records, Bexar County, Texas.**

Countersigned  
**Independence Title Company**

By  \_\_\_\_\_  
Authorized Signatory

**COMMITMENT FOR TITLE INSURANCE**

**SCHEDULE D**

G.F. No. or File No. **1312264-LCSA**

Effective Date: **April 30, 2013, 8:00 am**

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 issuing Title Insurance Company, Title Resources Guaranty Company, is a corporation whose shareholders owning or controlling, directly or indirectly, 10% of said corporation, directors and officers are listed below:

Shareholders: Title Resources Incorporated which is owned 100% by TAW Holding, Inc.

Directors: Donald J. Casey; Michael P. Gozdan; Anthony E. Hull; J. Scott McCall; Thomas N. Rispoli; Hilry S. Stroup; Marilyn J. Wasser

Officers: Michael P. Gozdan-Sr. VP/General Counsel/Secretary, E. Paul McNutt, Jr.-EVP/Asst. Secretary, Paul Myers-VP; Anthony E. Hull-EVP Treasurer, Thomas N. Rispoli-SVP, Wade Thunhorst-VP, Marilyn J. Wasser-EVP/Asst. Secretary, Jason Bragg-SVP, John T. Updegraff, Jr.-VP J. Scott McCall-President/CEO, Clayton E. Greenberg-VP

- 2. (a) A listing 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:

**ITCOT, LLC**

- (b) A listing of each shareholder, owner, partner, or other person having, owning or controlling 10 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:

**Jay Southworth  
Brian Pitman  
FSBT Holdings, Inc.**

- (c) The following is a list of it's officers and directors:

**Brian Pitman, President/COO  
Jay Southworth, Chairman/CEO**

- 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:

Owners Policy	<u>\$1,155.00</u>
Loan Policy	<u>\$100.00</u>
Endorsement Charges	<u>\$246.65</u>
Other	<u>\$0.00</u>
Total	<u>\$1,501.65</u>

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

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



## TEXAS TITLE INSURANCE INFORMATION

<p>Title insurance insures you against loss resulting from certain risks to your title.</p> <p>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.</p>	<p>El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.</p> <p>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 leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transaccion.</p>
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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.

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.

You can get a copy of the policy form approved by the State Board 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 Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company or 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.

**DELETION OF ARBITRATION PROVISION**  
(Not Applicable to the Texas Residential Owner 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."

I request deletion of the Arbitration provision.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

**Title Resources Guaranty Company**

Premium Amount	Rate Rules	Property Type	County Code	Liability at Reissue Rate	6	7	8
1 <b>\$1,501.65</b>	2 <b>1200</b> <b>3210</b> <b>0700</b> <b>0710</b> <b>0810</b> <b>0884</b> <b>0885</b> <b>0501</b> <b>0898</b>	3 <b>1</b>	4 <b>29</b>	5			