



# A. Settlement Statement (HUD-1)

## B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	3. <input type="checkbox"/> Conv. Unins.	6. File Number: GF No. 798592	7. Loan Number: N/A	8. Mortgage Insurance Case Number: N/A
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.				

**C. Note:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

<b>D. Name &amp; Address of Borrower:</b> Hidalgo County Drainage District No. 1 900 N. Doolittle Road Edinburg, Texas 78541	<b>E. Name &amp; Address of Seller:</b> Hidalgo County, Texas P. O. Box 1356 Edinburg, Texas 78540	<b>F. Name &amp; Address of Lender:</b> N/A
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<b>G. Property Location:</b> Twelve (12) tracts of land totaling 25,508 acres South of Owassa Road, North of Minnesota Road, and in between Cesar Chavez Road and Tower Road in Hidalgo County, Texas. See Exhibit A attached hereto	<b>H. Settlement Agent:</b> Atlas, Hall & Rodriguez, LLP  <b>Place of Settlement:</b> 818 Pecan Blvd., McAllen, Texas 78501	<b>I. Settlement Date:</b> March 17, 2015
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## J. Summary of Borrower's Transaction

<b>100. Gross Amount Due from Borrower</b>	
101. Contract sales price	\$1,326,948.00
102. Personal property	
103. Settlement charges to borrower (line 1400)	\$106.00
104.	
105.	
<b>Adjustment for items paid by seller in advance</b>	
106. City/town taxes to	
107. County taxes to	
108. Assessments to	
109.	
110.	
111.	
112.	
<b>120. Gross Amount Due from Borrower</b>	<b>\$1,327,054.00</b>
<b>200. Amount Paid by or in Behalf of Borrower</b>	
201. Deposit or earnest money	
202. Principal amount of new loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207.	
208.	
209.	
<b>Adjustments for items unpaid by seller</b>	
210. City/town taxes to	
211. County taxes to	
212. Assessments to	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
<b>220. Total Paid by/for Borrower</b>	
<b>300. Cash at Settlement from/to Borrower</b>	
301. Gross amount due from borrower (line 120)	
302. Less amounts paid by/for borrower (line 220)	( )
<b>303. Cash</b> <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	<b>\$1,327,054.00</b>

## K. Summary of Seller's Transaction

<b>400. Gross Amount Due to Seller</b>	
401. Contract sales price	\$1,326,948.00
402. Personal property	
403.	
404.	
405.	
<b>Adjustment for items paid by seller in advance</b>	
406. City/town taxes to	
407. County taxes to	
408. Assessments to	
409.	
410.	
411.	
412.	
<b>420. Gross Amount Due to Seller</b>	<b>\$1,326,948.00</b>
<b>500. Reductions in Amount Due to seller</b>	
501. Excess deposit (see instructions)	
502. Settlement charges to seller (line 1400)	\$8,103.67
503. Existing loan(s) taken subject to	
504. Payoff of first mortgage loan	
505. Payoff of second mortgage loan	
506.	
507.	
508.	
509.	
<b>Adjustments for items unpaid by seller</b>	
510. City/town taxes to	
511. County taxes to	
512. Assessments to	
513. Delinquent Taxes	\$2,075.81
514.	
515.	
516.	
517.	
518.	
519.	
<b>520. Total Reduction Amount Due Seller</b>	
<b>600. Cash at Settlement to/from Seller</b>	
601. Gross amount due to seller (line 420)	\$1,326,948.00
602. Less reductions in amounts due seller (line 520)	( \$10,179.48 )
<b>603. Cash</b> <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	<b>\$1,316,768.52</b>

The Public Reporting Burden for this collection of information is estimated at 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.

<b>L. Settlement Charges</b>					
<b>700. Total Real Estate Broker Fees</b>				Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of commission (line 700) as follows :					
701. \$	to				
702. \$	to				
703. Commission paid at settlement					
704.					
<b>800. Items Payable in Connection with Loan</b>					
801. Our origination charge		\$	(from GFE #1)		
802. Your credit or charge (points) for the specific interest rate chosen		\$	(from GFE #2)		
803. Your adjusted origination charges			(from GFE #A)		
804. Appraisal fee to			(from GFE #3)		
805. Credit report to			(from GFE #3)		
806. Tax service to			(from GFE #3)		
807. Flood certification to			(from GFE #3)		
808.					
809.					
810.					
811.					
<b>900. Items Required by Lender to be Paid in Advance</b>					
901. Daily interest charges from	to	@ \$	/day	(from GFE #10)	
902. Mortgage insurance premium for	months to			(from GFE #3)	
903. Homeowner's insurance for	years to			(from GFE #11)	
904.					
<b>1000. Reserves Deposited with Lender</b>					
1001. Initial deposit for your escrow account				(from GFE #9)	
1002. Homeowner's insurance	months @ \$		per month \$		
1003. Mortgage insurance	months @ \$		per month \$		
1004. Property Taxes	months @ \$		per month \$		
1005.	months @ \$		per month \$		
1006.	months @ \$		per month \$		
1007. Aggregate Adjustment					
<b>1100. Title Charges</b>					
1101. Title services and lender's title insurance				(from GFE #4)	
1102. Settlement or closing fee		\$			
1103. Owner's title insurance	to Edwards Abstract and Title Co.			(from GFE #5)	<b>\$7,590.00</b>
1104. Lender's title insurance		\$			
1105. Lender's title policy limit \$					
1106. Owner's title policy limit \$					
1107. Agent's portion of the total title insurance premium to		\$			
1108. Underwriter's portion of the total title insurance premium to		\$			
1109. Guaranty Assessment Recoupment Fee to Edwards Abstract and Title Co.					
1110. Tax Service Fee to Edwards Abstract and Title Co.					\$513.67
1111.					
<b>1200. Government Recording and Transfer Charges</b>					
1201. Government recording charges	to Hidalgo County Clerk			(from GFE #7)	
1202. Deed \$ 106.00	Mortgage \$		Release \$		<b>\$106.00</b>
1203. Transfer taxes				(from GFE #8)	
1204. City/County tax/stamps	Deed \$		Mortgage \$		
1205. State tax/stamps	Deed \$		Mortgage \$		
1206.					
<b>1300. Additional Settlement Charges</b>					
1301. Required services that you can shop for				(from GFE #6)	
1302. Attorney's fees to Atlas, Hall & Rodriguez, LLP (POC-Seller)		\$			<b>POC</b>
1303. Taxes to Hidalgo County Tax Assessor-Collector		\$			
1304. Taxes to Hidalgo County Irrigation District No. 2 (See Exhibit "B" for breakdown of lines 1303 and 1304)					
1305. Attorney's fees to Purdue Brandon Fielder Collins & Mott (Tax Suit No. T-226-02-A)					
<b>1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)</b>					
				\$106.00	\$8,103.67

**ADDENDUM TO SETTLEMENT STATEMENT**

The undersigned hereby acknowledge and agree that:

(1) Atlas, Hall & Rodriguez, LLP has assembled the information for this settlement statement from third parties utilizing the best information available; however, Atlas, Hall & Rodriguez, LLP cannot guarantee the accuracy of any information furnished to it by third parties;

(2) in the event any amount reflected on the settlement statement is insufficient to satisfy the item in full, the responsible party will pay to Atlas, Hall & Rodriguez, LLP in McAllen, Texas such additional amount within five (5) days of a written request for payment;

(3) according to information obtained by Atlas, Hall & Rodriguez, LLP from the title company or from the taxing agencies, all taxes have been paid to all taxing agencies taxing the property and there are no unpaid taxes on the property other than those being paid as a part of this transaction;

(4) Atlas, Hall & Rodriguez, LLP may be required to report certain information concerning this transaction to the Internal Revenue Service;

(5) Atlas, Hall, & Rodriguez, LLP will be paid 40% of the loan policy insurance premium by Edwards Abstract and Title Co. for closing the transaction between Lender and Borrower; and

(6) Atlas, Hall & Rodriguez, LLP is authorized to make the expenditures and disbursements reflected in this settlement statement.

The undersigned acknowledge receipt of funds paid directly to the undersigned, or to third parties for the benefit of the undersigned, in the amounts shown on the settlement statement, and the receipt of a copy of the settlement statement.

**SELLER:**

HIDALGO COUNTY, TEXAS

By: \_\_\_\_\_  
Ramon Garcia, County Judge

**BUYER:**

HIDALGO COUNTY DRAINAGE  
DISTRICT NO. 1

By: \_\_\_\_\_  
Ramon Garcia, Chair of the Board of  
Directors

## **EXHIBIT "A"**

### **Legal Description**

#### **TRACT I:**

Being a 1.321-acre tract of land out of a 10.0-acre tract being the East 1/2 of the East 1/2 of Lot Seven (7), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 10.0 acre tract of land is vested to: Ludivina C. Gonzalez and husband, Jose Ramon Gonzalez from Russell L. Reynolds and wife, Merry M. Reynolds, dated October 21, 2003 by virtue of a Warranty Deed with Vendor's Lien recorded in Document No. 1259746, Official Records of Hidalgo County, Texas. Said 1.321-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northeast corner of Lot 7, for the Northeast corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of Lot 7, a distance of 174.44 feet to a No. 4 rebar set at the proposed South right-of-way line of L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 26 minutes 51 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 330.00 feet to a No. 4 rebar set at the West line of said 10.0-acre tract, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said 10.0-acre tract, a distance of 174.32 feet to a No. 4 rebar set at the North line of said Lot 7, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of said Lot 8, a distance of 330.00 feet to the POINT OF BEGINNING, containing 1.321-acres, of which 0.185-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 1.136-acres of land, more or less.

#### **TRACT II:**

Being a 2.643-acre tract of land out of an 18.21-acre tract out of Lot Six (6), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 18.21-acre tract of land is vested to: Roderick V. Vergel de Dios and wife, Tamara G. Vergel de Dios, from Ricardo Martinez and wife, Maria Martinez, dated March 21, 2003, by virtue of a Warranty Deed with Vendor's Lien recorded in Document No. 1182770, Official

Records of Hidalgo County, Texas. Said 2.643-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northwest corner of Lot 6, for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 6, a distance of 660.00 feet to a No. 4 rebar set at the Northeast corner of said 18.21-acre tract, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said 18.21-acre tract, a distance of 174.45 feet to a No. 4 rebar set at the proposed South right-of-way line of L. J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 629.73 feet to a No. 4 rebar set, for an exterior corner of this tract of land;

THENCE, North 81 degrees 26 minutes 51 seconds West, continuing with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 30.27 feet to a No. 4 rebar set at the West line of said Lot 6, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the East line of said Lot 6, a distance of 174.44 feet to the POINT OF BEGINNING, containing 2.643-acres, of which 0.37-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 2.273-acres of land, more or less.

**TRACT III:**

Being a 2.483-acre tract of land comprised of Tract I: A 0.591 of an acre out of the North 1.0-acre of the North 5.0 acres of the North 1/2 of the East 20.0 acres, and Tract 1.544-acres out of the South 4.0-acres of the North 5.0-acres of the North 1/2 of the East 20.0-acres, both out of Lot Six (6), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said Tract I is vested to Juan Carrizales and wife, Jesusa C. Carrizales, from Felix Cuevas and Margarita Mendez Cuevas, by virtue of a Warranty Deed, dated August 31, 1992, recorded in Document No. 341948, Official Records, Hidalgo County, Texas, Tract II is vested to Juan Carrizales and wife, Jesusa C. Carrizales by virtue of a Warranty Deed with Vendor's Lien, dated December 30, 1977, recorded in Volume 1564, Page 207, Deed Records of Hidalgo County, Texas, and by a Warranty Deed dated July 6, 1982, recorded in Volume 1794, Page 180, Deed Records of Hidalgo County, Texas. SAVE AND EXCEPT: a tract of land

containing 1.0-acre tract being the South 66.0 feet of the North 5.0-acres of the North 1/2 of the East 20.0-acres of said Lot 6, Block 48, recorded in Document No. 321187, Official Records of Hidalgo County, Texas. Said 2.483-acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a cotton picker spindle set at the Northeast corner of Lot 6, THENCE, North 81 degrees 28 minutes 09 seconds West, with the North line of Lot 6, a distance of 40.00 feet to a No. 4 rebar set on the existing West right-of-way line of Alamo Road (F.M. 907), for the Northeast corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the existing West right-of-way line of said Alamo Road (F.M. 907), a distance of 174.45 feet to a No. 4 rebar set at the proposed South right-of-way line of L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 620.00 feet to a No. 4 rebar set at the West line of the East 20.0 acres of Lot 6, Block 48, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said 20.0 acres, a distance of 174.45 feet to a No. 4 rebar set at the North line of said Lot 6, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of said Lot 6, a distance of 620.00 feet to the POINT OF BEGINNING, containing 2.483-acres, of which 0.348-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 2.135-acres of land, more or less.

**TRACT IV:**

Being 5.065-acre tract of land out of a 10.0-acre tract being the North 1/2 of the North 1/2 of Lot Five (5), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas, Said 10.0-acre tract of land is vested to: Cron Citrus Acres (as to an undivided one-half interest), from Iris V.O. Cron, Independent Executrix of the Estate of Lawrence E. Cron, Deceased, dated September 12, 1980, by virtue of a Warranty Deed, recorded in Volume 1689, Page 479, Deed Records of Hidalgo County, Texas. To Cron Citrus Acres #2, a Texas General Partnership (as to an undivided 25%) and Alicia L. Cron (as to an undivided 25%), from Cron Citrus Acres, by virtue of a Warranty Deed dated May 13, 1987, recorded in 2447, Page 881, Official Records of Hidalgo County, Texas. Said 5.065-acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a cotton picker spindle set at the Northwest corner of said Lot 5; THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of said Lot 5, a distance of 40.00 feet to a No. 4 rebar set on the existing East right-of-way line of Alamo Road (F.M. 907), for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 5, a distance of 1280.00 feet to a No. 4 rebar set at the Northeast corner of said Lot 5, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said Lot 5, a distance of 173.21 feet to a No. 4 rebar set at the proposed South right-of-way line of L. J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 22 minutes 07 seconds West, with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 1085.95 feet to an interior corner of this tract of land;

THENCE, North 82 degrees 30 minutes 58 seconds West, continuing with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 194.09 feet to a No. 4 rebar set at the existing East right-of-way line of said Alamo Road (F.M. 907), for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the existing East right-of-way line of said Alamo Road (907), a distance of 174.85 feet to the POINT OF BEGINNING, containing 5.065-acres, of which 0.812-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 4.253-acres of land, more or less.

**TRACT V:**

A 3.947-acre tract of land out of a 27.5-acre tract out of the West 1/2, and the West 1/2 of the East 1/2 of Lot Eight (8), Block Forty-nine (49), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 27.5-acre tract is vested to: Cron Citrus Acres #2, a Texas General Partnership composed of: Paul Douglas Cron and Auston B. Cron, from P. Douglas Cron, Independent Executor of the Estate of Iris V.O. Cron, Deceased, and Cron Citrus Acres, by virtue of a Warranty Deed dated May 13, 1987, recorded in 2447, Page 886, Official Records of Hidalgo County, Texas. LESS AND EXCEPT: 2 1/2 acres out of the Southwest corner of said Lot 8, by virtue of a Warranty Deed recorded in Volume 2447, Page 886, Official Records of Hidalgo County, Texas. Said 3.947-acre tract of land being more particularly described by metes and bounds as follows

BEGINNING at a No. 4 rebar set at the Northwest corner of Lot 8, for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 8, a distance of 990.00 feet to a No. 4 rebar set at the Northeast corner of said 27.5-acre tract, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said 27.5-acre tract, a distance of 174.12 feet to a No. 4 rebar set at the proposed South right-of-way line of L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 25 minutes 01 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 978.14 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, North 81 degrees 22 minutes 07 seconds West, continuing with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 11.86 feet to a No. 4 rebar set at the West line of said Lot 8, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 8, a distance of 173.21 feet to the POINT OF BEGINNING, containing 3.947-acres, of which 0.59-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 3.357-acres of land, more or less.

**TRACT VI:**

Being a 1.32-acre tract of land out of the East 10-acres of Lot Eight (8), Block Forty-nine (49), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas. as per map or plat thereof recorded in Volume 1, Pages 2426, Map Records, Hidalgo County, Texas. Said 10.0-acre tract of land is vested to: Texas Slate Bank as Custodian for the benefit of Gary L. Jackson IRA, from John E. Christian and wife, Norma Christian, by virtue of a Warranty Deed dated November 30, 2000, recorded in Document No. 928513, Official Records of Hidalgo County, Texas. Said 1.32-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northeast corner of Lot 8, for the Northeast corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of Lot 8, a distance of 174.42 feet to a No. 4 rebar set at the proposed South right-of-way line of L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 25 minutes 01 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 330.00 feet to a No. 4 rebar set at the West line of said 10.0-acre tract, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said 10.0-acre tract, a distance of 174.12 feet to a No. 4 rebar set at the North line of said Lot 8, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of said Lot 8, a distance of 330.00 feet to the POINT OF BEGINNING, containing 1.32-acres, of which 0.236-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 1.084-acres of land, more or less.

**TRACT VII:**

Being a 0.008-acre tract of land out of Lot Thirteen (13), SITIO OWASSA SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 49, Page 46, Map Records, Hidalgo County, Texas. Said Lot 13 is vested to Luis Martinez, Sr., from OH Investment Properties, Inc., a Texas Corporation, by virtue of a Special Warranty Deed with Vendor's Lien dated December 30, 2005, recorded in Document No. 1564106, Official Records of Hidalgo County, Texas. Said 0.008-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at the Southwest corner of Lot 13, for the Southwest corner of this tract of land and the POINT OF BEGINNING;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 13, a distance of 25.00 feet to a No. 4 rebar set at the proposed North right-of-way line of said L. J. Drainage Lateral for the Northwest corner of this tract of land:

THENCE, South 81 degrees 28 minutes 09 seconds East, with the proposed North right-of-way line of said L. J. Drainage Lateral, a distance of 26.43 feet to a No. 4 rebar set at the East line of said Lot 13, for the Northeast corner of this tract of land;

THENCE, South 55 degrees 07 minutes 32 seconds West, with the East line of said Lot 13, a distance of 36.38 feet to the POINT OF BEGINNING, containing 0.008-acres of which 0.008-acres lies in the existing swale easement.

**TRACT VIII:**

Being a 0.012-acre tract of land out of Lot Twelve (12), SITIO OWASSA SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 49, Page 46, Map Records, Hidalgo County, Texas. Said Lot 12 is vested to Luis Martinez, Sr., from OH Investment Properties, Inc., a Texas Corporation, by virtue of a Special Warranty Deed with Vendor's Lien dated December 30, 2005, recorded in Document No. 1564106, Official Records of Hidalgo County, Texas. Said 0.012-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at the Southeast corner of Lot 12, for the Southeast corner of this tract of land and the POINT OF BEGINNING;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the South line of said Lot 12, a distance of 222.25 feet to No. 4 rebar set at the Southwest corner of said Lot 12, for the Southwest corner of this tract of land;

THENCE, North 55 degrees 07 minutes 32 seconds East, with the West line of said Lot 12, a distance of 36.38 feet to a No. 4 rebar set at the proposed North right-of-way line of L. J. Drainage Lateral, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the proposed North right-of-way line of said L. J. Drainage Lateral, a distance of 195.82 feet to a No. 4 rebar set at the East line of said Lot 12, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said Lot 12, a distance of 25.00 feet to the POINT OF BEGINNING, containing 0.12-of an acre, of which 0.12-acres lies in the existing swale easement.

**TRACT IX:**

Being a 0.12-acre tract of land out of Lot Eleven (11), SITIO OWASSA SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 49, Page 46, Map Records, Hidalgo County, Texas. Said Lot 11 is vested to Gabriel Calderon, from OH Investment Properties, Inc., by virtue of a Special Warranty Deed with Vendor's Lien dated November 23, 2005, recorded in Document No. 1549281, Official Records of Hidalgo County, Texas. Said 0.12-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Southeast corner of Lot 11, for the Southeast corner of this tract of land and the POINT OF BEGINNING;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the South line of said Lot 11, a distance of 222.25 feet to a No. 4 rebar set at the Southwest corner of said Lot 11, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 11, a distance of 25.00 feet to a No. 4 rebar set on the proposed North right-of-way line of L. J. Drainage Lateral, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the proposed North right-of-way line of said L. J. Drainage Lateral, a distance of 197.31 feet to a No. 4 rebar set at the East line of said Lot 11, for the Northeast corner of this tract of land;

THENCE, South 36 degrees 23 minutes 56 seconds East, with the East line of said Lot 11, a distance of 35.31 feet to the POINT OF BEGINNING, containing 0.12-of an acre, of which 0.12-acres lies in the existing swale easement.

**TRACT X:**

Being a 1.515-acre tract of land comprised of Tract I: an undivided 10.933-acres and Tract II: an undivided 9.067-acres out of the East 20.0-acres of Lot One (1), Block Fifty (50), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION. Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 20-acre tract of land is vested to Edwin J. Obst, Sr. and wife, Annie Obst, by virtue of Warranty Deeds dated September 1, 1976, recorded in Volume 1503, Page 559, and Volume 1503, Page 561, Deed Records of Hidalgo County, Texas. Said 1.515-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at the Southeast corner of Lot 1, for the Southeast corner of this tract of land and the POINT OF BEGINNING;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the South line of said Lot 1, a distance of 660.00 feet to the Southwest corner of said 20-acre tract, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said 20-acres tract, a distance of a 100.00 feet to a No. 4 rebar set at the proposed North right-of-way line of L. J. Drainage Lateral, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with said proposed right-of-way line, a distance of 660.00 feet to a No. 4 rebar set at the East line of said Lot 1, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said Lot 1, a distance of 100.00 feet to the POINT OF BEGINNING, containing 1.515-acres, of which 0.807-acres lies in the existing Hidalgo County Irrigation District No. 2 Drain Ditch Easement, leaving a proposed net taking of 0.708-acres of land, more or less.

**TRACT XI:**

Being a 3.978-acre tract of land out of the West 30.0-acres of Lot Seven (7), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-25, Map Records, Hidalgo County, Texas. Said 30.0-acre tract is vested to: J. Robert Velado and wife, Constance B. Velado, from H.S. Anderson and wife, Ellen R. Anderson, dated September 16, 1977, by virtue of a Warranty Deed with Vendor's Lien recorded in Volume 1545, Page 947, Deed Records of Hidalgo County, Texas. Said 3.978-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northwest corner of Lot 7, for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 7, a distance of 990.00 feet to a No. 4 rebar set at the Northeast corner of said 30.0-acre tract, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said 30.0-acre tract, a distance of 174.32 feet to a No. 4 rebar set at the proposed South right-of-way line of said L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 26 minutes 51 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 623.18 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, North 82 degrees 13 minutes 01 seconds West, continuing with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 339.16 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, North 81 degrees 14 minutes 23 seconds West, continuing with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 27.70 feet to a No. 4 rebar set at the West line of said Lot 7, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 7, a distance of 178.39 feet to the POINT OF BEGINNING, containing 3.978-acres, of which 0.603-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, 0.431-acres lies in the existing Tennessee Gas Transmission Right-of-Way Easement, leaving a proposed net taking of 2.944-acres of land, more or less.

**TRACT XII:**

Being a 3.804-acre tract of land out of the North 10.0-acres of Lot Seven (7), Block Forty-nine (49), ALAMO LAND AND SUGAR COMPANY'S, Hidalgo County, Texas, as per map or plat thereof recorded in Volume I, Pages 24-25, Map Records, Hidalgo County, Texas. Said 10.0-acre tract is vested to: Manuela Cerda, from Joseph P. Boro and wife, Sophie N. Boro, and from the Estate of Pedro Cerda, Deceased, by virtue of a Warranty Deed with Vendor's Lien dated November 24, 1964, recorded in Volume 1103, Page 391, Deed Records of Hidalgo County, Texas, and by an Affidavit of Heirship, recorded in Document No. 957443, Official Records of Hidalgo County, Texas. Said 3.804-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northwest corner of Lot 7, for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 7, a distance of 954.61 feet to a No. 4 rebar set, for the Northeast corner of this tract of land;

THENCE, South 53 degrees 31 minutes 51 seconds West, a distance of 48.95 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, a distance of 150.01 feet to a No. 4 rebar set at the proposed South right-of-way line of said L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 80 degrees 49 minutes 35 seconds West, with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 908.68 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, North 81 degrees 25 minutes 01 seconds West, continuing with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 11.38 feet to a No. 4 rebar set at the West line of said Lot 7, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 7, a distance of 174.42 feet to the POINT OF BEGINNING, containing 3.804-acres, of which 0.688-

acres lies in the existing Hidalgo County Irrigation. District No. 2 Easement, leaving a proposed net taking of 3.116-acres of land, more or less.

**STEWART TITLE GUARANTY COMPANY**

**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 Insurance 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:

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**WAIVER OF INSPECTION AND DISCLOSURE TO OWNER**

TO: Stewart Title Guaranty Company ("Title Insurer")  
Edwards Abstract and Title Co. ("The Company")  
RE: County of Hidalgo to Hidalgo County Drainage District No. 1  
GF (File) Number: 798592

Land: TRACT I:

Being a 1.321-acre tract of land out of a 10.0-acre tract being the East 1/2 of the East 1/2 of Lot Seven (7), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 10.0 acre tract of land is vested to: Ludivina C. Gonzalez and husband, Jose Ramon Gonzalez from Russell L. Reynolds and wife, Merry M. Reynolds, dated October 21, 2003 by virtue of a Warranty Deed with Vendor's Lien recorded in Document No. 1259746, Official Records of Hidalgo County, Texas. Said 1.321-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northeast corner of Lot 7, for the Northeast corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of Lot 7, a distance of 174.44 feet to a No. 4 rebar set at the proposed South right-of-way line of L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 26 minutes 51 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 330.00 feet to a No. 4 rebar set at the West line of said 10.0-acre tract, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said 10.0-acre tract, a distance of 174.32 feet to a No. 4 rebar set at the North line of said Lot 7, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of said Lot 8, a distance of 330.00 feet to the POINT OF BEGINNING, containing 1.321-acres, of which 0.185-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 1.136-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT II:

Being a 2.643-acre tract of land out of an 18.21-acre tract out of Lot Six (6), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 18.21-acre tract of land is vested to: Roderick V. Vergel de Dios and wife, Tamara G. Vergel de Dios, from Ricardo Martinez and wife, Maria Martinez, dated March 21, 2003, by virtue of a Warranty Deed with Vendor's Lien recorded in Document No. 1182770, Official Records of Hidalgo County, Texas. Said 2.643-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northwest corner of Lot 6, for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 6, a distance of 660.00 feet to a No. 4 rebar set at the Northeast corner of said 18.21-acre tract, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said 18.21-acre tract, a distance of 174.45 feet to a No. 4 rebar set at the proposed South right-of-way line of L. J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 629.73 feet to a No. 4 rebar set, for an exterior corner of this tract of land;

THENCE, North 81 degrees 26 minutes 51 seconds West, continuing with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 30.27 feet to a No. 4 rebar set at the West line of said Lot 6, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the East line of said Lot 6, a distance of 174.44 feet to the POINT OF BEGINNING, containing 2.643-acres, of which 0.37-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 2.273-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT III:

Being a 2.483-acre tract of land comprised of Tract I: A 0.591 of an acre out of the North 1.0-acre of the North 5.0 acres of the North 1/2 of the East 20.0 acres, and Tract II: 1.544-acres out of the South 4.0-acres of the North 5.0-acres of the North 1/2 of the East 20.0-acres, both out of Lot Six (6), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said Tract I is vested to Juan Carrizales and wife, Jesusa C. Carrizales, from Felix Cuevas and Margarita Mendez Cuevas, by virtue of a Warranty Deed, dated August 31, 1992, recorded in Document No. 341948, Official Records, Hidalgo County, Texas, Tract II is vested to Juan Carrizales and wife, Jesusa C. Carrizales by virtue of a Warranty Deed with Vendor's Lien, dated December 30, 1977, recorded in Volume 1564, Page 207, Deed Records of Hidalgo County, Texas, and by a Warranty Deed dated July 6, 1982, recorded in Volume 1794, Page 180, Deed Records of Hidalgo County, Texas. SAVE AND EXCEPT: a tract of land containing 1.0-acre tract being the South 66.0 feet of the North 5.0-acres of the North 1/2 of the East 20.0-acres of said Lot 6, Block 48, recorded in Document No. 321187, Official Records of Hidalgo County, Texas. Said 2.483-acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a cotton picker spindle set at the Northeast corner of Lot 6, THENCE, North 81 degrees 28 minutes 09 seconds West, with the North line of Lot 6, a distance of 40.00 feet to a No. 4 rebar set on the existing West right-of-way line of Alamo Road (F.M. 907), for the Northeast corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the existing West right-of-way line of said Alamo Road (F.M. 907), a distance of 174.45 feet to a No. 4 rebar set at the proposed South right-of-way line of L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 620.00 feet to a No. 4 rebar set at the West line of the East 20.0 acres of Lot 6, Block 48, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said 20.0 acres, a distance of 174.45 feet to a No. 4 rebar set at the North line of said Lot 6, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of said Lot 6, a distance of 620.00 feet to the POINT OF BEGINNING, containing 2.483-acres, of which 0.348-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 2.135-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT IV:

Being 5.065-acre tract of land out of a 10.0-acre tract being the North 1/2 of the North 1/2 of Lot Five (5), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 10.0-acre tract of land is vested to: Cron Citrus Acres (as to an undivided one-half interest), from Iris V.O. Cron, Independent Executrix of the Estate of Lawrence E. Cron, Deceased, dated September 12, 1980, by virtue of a Warranty Deed, recorded in Volume 1689, Page 479, Deed Records of Hidalgo County, Texas. To Cron Citrus Acres #2, a Texas General Partnership (as to an undivided 25%) and Alicia L. Cron (as to an undivided 25%), from Cron Citrus Acres, by virtue of a Warranty Deed dated May 13, 1987, recorded in 2447, Page 881, Official Records of Hidalgo County, Texas. Said 5.065-acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a cotton picker spindle set at the Northwest corner of said Lot 5; THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of said Lot 5, a distance of 40.00 feet to a No. 4 rebar set on the existing East right-of-way line of Alamo Road (F.M. 907), for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 5, a distance of 1280.00 feet to a No. 4 rebar set at the Northeast corner of said Lot 5, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said Lot 5, a distance of 173.21 feet to a No. 4 rebar set at the proposed South right-of-way line of L. J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 22 minutes 07 seconds West, with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 1085.95 feet to an interior corner of this tract of land;

THENCE, North 82 degrees 30 minutes 58 seconds West, continuing with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 194.09 feet to a No. 4 rebar set at the existing East right-of-way line of said Alamo Road (F.M. 907), for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the existing East right-of-way line of said Alamo Road (907), a distance of 174.85 feet to the POINT OF BEGINNING, containing 5.065-acres, of which 0.812-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 4.253-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT V:

A 3.947-acre tract of land out of a 27.5-acre tract out of the West 1/2, and the West 1/2 of the East 1/2 of Lot Eight (8), Block Forty-nine (49), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 27.5-acre tract is vested to: Cron Citrus Acres #2, a Texas General Partnership composed of: Paul Douglas Cron and Auston B. Cron, from P. Douglas Cron, Independent Executor of the Estate of Iris V.O. Cron, Deceased, and Cron Citrus Acres, by virtue of a Warranty Deed dated May 13, 1987, recorded in 2447, Page 886, Official Records of Hidalgo County, Texas. LESS AND EXCEPT: 2 1/2 acres out of the Southwest corner of said Lot 8, by virtue of a Warranty Deed recorded in Volume 2447, Page 886, Official Records of Hidalgo County, Texas. Said 3.947-acre tract of land being more particularly described by metes and bounds as follows

BEGINNING at a No. 4 rebar set at the Northwest corner of Lot 8, for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 8, a distance of 990.00 feet to a No. 4 rebar set at the Northeast corner of said 27.5-acre tract, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said 27.5-acre tract, a distance of 174.12 feet to a No. 4 rebar set at the proposed South right-of-way line of L. J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 25 minutes 01 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 978.14 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, North 81 degrees 22 minutes 07 seconds West, continuing with the proposed South right-of-way line of said L. J. Drainage Lateral, a distance of 11.86 feet to a No. 4 rebar set at the West line of said Lot 8, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 8, a distance of 173.21 feet to the POINT OF BEGINNING, containing 3.947-acres, of which 0.59-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 3.357-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT VI:

Being a 1.32-acre tract of land out of the East 10-acres of Lot Eight (8), Block Forty-nine (49), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 10.0-acre tract of land is vested to: Texas State Bank as Custodian for the benefit of Gary L. Jackson IRA, from John E. Christian and wife, Norma Christian, by virtue of a Warranty Deed dated November 30, 2000, recorded in Document No. 928513, Official Records of Hidalgo County, Texas. Said 1.32-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northeast corner of Lot 8, for the Northeast corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of Lot 8, a distance of 174.42 feet to a No. 4 rebar set at the proposed South right-of-way line of L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 25 minutes 01 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 330.00 feet to a No. 4 rebar set at the West line of said 10.0-acre tract, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said 10.0-acre tract, a distance of 174.12 feet to a No. 4 rebar set at the North line of said Lot 8, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of said Lot 8, a distance of 330.00 feet to the POINT OF BEGINNING, containing 1.32-acres, of which 0.236-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 1.084-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT VII:

Being a 0.008-acre tract of land out of Lot Thirteen (13), SITIO OWASSA SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 49, Page 46, Map Records, Hidalgo County, Texas. Said Lot 13 is vested to Luis Martinez, Sr., from OH Investment Properties, Inc., a Texas Corporation, by virtue of a Special Warranty Deed with Vendor's Lien dated December 30, 2005, recorded in Document No. 1564106, Official Records of Hidalgo County, Texas. Said 0.008-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at the Southwest corner of Lot 13, for the Southwest corner of this tract of land and the POINT OF BEGINNING;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 13, a distance of 25.00 feet to a No. 4 rebar set at the proposed North right-of-way line of said L. J. Drainage Lateral for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the proposed North right-of-way line of said L. J. Drainage Lateral, a distance of 26.43 feet to a No. 4 rebar set at the East line of said Lot 13, for the Northeast corner of this tract of land;

THENCE, South 55 degrees 07 minutes 32 seconds West, with the East line of said Lot 13, a distance of 36.38 feet to the POINT OF BEGINNING, containing 0.008-acres of which 0.008-acres lies in the existing swale easement.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT VIII:

Being a 0.012-acre tract of land out of Lot Twelve (12), SITIO OWASSA SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 49, Page 46, Map Records, Hidalgo County, Texas. Said Lot 12 is vested to Luis Martinez, Sr., from OH Investment Properties, Inc., a Texas Corporation, by virtue of a Special Warranty Deed with Vendor's Lien dated December 30, 2005, recorded in Document No. 1564106, Official Records of Hidalgo County, Texas. Said 0.012-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at the Southeast corner of Lot 12, for the Southeast corner of this tract of land and the POINT OF BEGINNING;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the South line of said Lot 12, a distance of 222.25 feet to a No. 4 rebar set at the Southwest corner of said Lot 12, for the Southwest corner of this tract of land;

THENCE, North 55 degrees 07 minutes 32 seconds East, with the West line of said Lot 12, a distance of 36.38 feet to a No. 4 rebar set at the proposed North right-of-way line of L. J. Drainage Lateral, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the proposed North right-of-way line of said L. J. Drainage Lateral, a distance of 195.82 feet to a No. 4 rebar set at the East line of said Lot 12, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said Lot 12, a distance of 25.00 feet to the POINT OF BEGINNING, containing 0.12-of an acre, of which 0.12-acres lies in the existing swale easement.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT IX:

Being a 0.12-acre tract of land out of Lot Eleven (11), SITIO OWASSA SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 49, Page 46, Map Records, Hidalgo County, Texas. Said Lot 11 is vested to Gabriel Calderon, from OH Investment Properties, Inc., by virtue of a Special Warranty Deed with Vendor's Lien dated November 23, 2005, recorded in Document No. 1549281, Official Records of Hidalgo County, Texas. Said 0.12-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Southeast corner of Lot 11, for the Southeast corner of this tract of land and the POINT OF BEGINNING;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the South line of said Lot 11, a distance of 222.25 feet to a No. 4 rebar set at the Southwest corner of said Lot 11, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 11, a distance of 25.00 feet to a No. 4 rebar set on the proposed North right-of-way line of L. J. Drainage Lateral, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the proposed North right-of-way line of said L. J. Drainage Lateral, a distance of 197.31 feet to a No. 4 rebar set at the East line of said Lot 11, for the Northeast corner of this tract of land;

THENCE, South 36 degrees 23 minutes 56 seconds East, with the East line of said Lot 11, a distance of 35.31 feet to the POINT OF BEGINNING, containing 0.12-of an acre, of which 0.12-acres lies in the existing swale easement.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT X:

Being a 1.515-acre tract of land comprised of Tract I: an undivided 10.933-acres and Tract II: an undivided 9.067-acres out of the East 20.0-acres of Lot One (1), Block Fifty (50), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-26, Map Records, Hidalgo County, Texas. Said 20-acre tract of land is vested to Edwin J. Obst, Sr. and wife, Annie Obst, by virtue of Warranty Deeds dated September 1, 1976, recorded in Volume 1503, Page 559, and Volume 1503, Page 561, Deed Records of Hidalgo County, Texas. Said 1.515-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at the Southeast corner of Lot 1, for the Southeast corner of this tract of land and the POINT OF BEGINNING;

THENCE, North 81 degrees 28 minutes 09 seconds West, with the South line of said Lot 1, a distance of 660.00 feet to the Southwest corner of said 20-acre tract, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said 20-acres tract, a distance of a 100.00 feet to a No. 4 rebar set at the proposed North right-of-way line of L. J. Drainage Lateral, for the Northwest corner of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with said proposed right-of-way line, a distance of 660.00 feet to a No. 4 rebar set at the East line of said Lot 1, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said Lot 1, a distance of 100.00 feet to the POINT OF BEGINNING, containing 1.515-acres, of which 0.807-acres lies in the existing Hidalgo County Irrigation District No. 2 Drain Ditch Easement, leaving a proposed net taking of 0.708-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct..

TRACT XI:

Being a 3.978-acre tract of land out of the West 30.0-acres of Lot Seven (7), Block Forty-eight (48), ALAMO LAND AND SUGAR COMPANY'S, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-25, Map Records, Hidalgo County, Texas. Said 30.0-acre tract is vested to: J. Robert Velado and wife, Constance B. Velado, from H.S. Anderson and wife, Ellen R. Anderson, dated September 16, 1977, by virtue of a Warranty Deed with Vendor's Lien

recorded in Volume 1545, Page 947, Deed Records of Hidalgo County, Texas. Said 3.978-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northwest corner of Lot 7, for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 7, a distance of 990.00 feet to a No. 4 rebar set at the Northeast corner of said 30.0-acre tract, for the Northeast corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, with the East line of said 30.0-acre tract, a distance of 174.32 feet to a No. 4 rebar set at the proposed South right-of-way line of said L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 81 degrees 26 minutes 51 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 623.18 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, North 82 degrees 13 minutes 01 seconds West, continuing with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 339.16 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, North 81 degrees 14 minutes 23 seconds West, continuing with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 27.70 feet to a No. 4 rebar set at the West line of said Lot 7, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 7, a distance of 178.39 feet to the POINT OF BEGINNING, containing 3.978-acres, of which 0.603-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, 0.431-acres lies in the existing Tennessee Gas Transmission Right-of-Way Easement, leaving a proposed net taking of 2.944-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct.

TRACT XII:

Being a 3.804-acre tract of land out of the North 10.0-acres of Lot Seven (7), Block Forty-nine (49), ALAMO LAND AND SUGAR COMPANY'S, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pages 24-25, Map Records, Hidalgo County, Texas. Said 10.0-acre tract is vested to: Manuela Cerda, from Joseph P. Boro and wife, Sophie N. Boro, and from the Estate of Pedro Cerda, Deceased, by virtue of a Warranty Deed with Vendor's Lien dated November 24, 1964, recorded in Volume 1103, Page 391, Deed Records of Hidalgo County, Texas, and by an Affidavit of Heirship, recorded in Document No. 957443, Official Records of Hidalgo County, Texas. Said 3.804-acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a No. 4 rebar set at the Northwest corner of Lot 7, for the Northwest corner and the POINT OF BEGINNING of this tract of land;

THENCE, South 81 degrees 28 minutes 09 seconds East, with the North line of Lot 7, a distance of 954.61 feet to a No. 4 rebar set, for the Northeast corner of this tract of land;

THENCE, South 53 degrees 31 minutes 51 seconds West, a distance of 48.95 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, South 08 degrees 31 minutes 51 seconds West, a distance of 150.01 feet to a No. 4 rebar set at the proposed South right-of-way line of said L.J. Drainage Lateral, for the Southeast corner of this tract of land;

THENCE, North 80 degrees 49 minutes 35 seconds West, with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 908.68 feet to a No. 4 rebar set, for an interior corner of this tract of land;

THENCE, North 81 degrees 25 minutes 01 seconds West, continuing with the proposed South right-of-way line of said L.J. Drainage Lateral, a distance of 11.38 feet to a No. 4 rebar set at the West line of said Lot 7, for the Southwest corner of this tract of land;

THENCE, North 08 degrees 31 minutes 51 seconds East, with the West line of said Lot 7, a distance of 174.42 feet to the POINT OF BEGINNING, containing 3.804-acres, of which 0.688-acres lies in the existing Hidalgo County Irrigation District No. 2 Easement, leaving a proposed net taking of 3.116-acres of land, more or less.

This Company does not represent that the acreage and/or square footage calculations are correct.

**1. Waiver of Inspection**

You may refuse to accept an exception to the Owner's Policy for "Rights of Parties in Possession." "Rights of Parties in Possession" shall mean one or more persons or entities who are themselves actually physically occupying the property or a portion thereof under a claim or right adverse to the insured owner of the property as shown in Schedule A of the Policy. The Company may require an inspection of the property and an additional charge may be assessed for reasonable and actual costs of such an inspection. The Company may make additional Exceptions for matters the inspection reveals. If you do not delete this paragraph, you consent to this Exception and waive inspection of the land.

YOU MAY REFUSE TO ACCEPT THIS EXCEPTION BY MARKING OUT THIS PARAGRAPH 1.

**2. Receipt of Commitment**

You acknowledge having received and reviewed a copy of the Title Commitment issued in connection with this transaction. You understand that your Owner Policy will contain the Exceptions set forth in Schedule B of the Commitment, and any additional Exceptions to title resulting from the documents involved in this transaction, and any additional Exceptions reflected by an exhibit attached hereto.

**3. Survey**

You may request amendment of the "Area and Boundary Exception" to read "Shortages in Area." The Area and Boundary Exceptions is as follows: "Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments, or protrusions, or any overlapping of improvements." You must furnish a current survey. The survey must be acceptable to the Company. You also must pay an additional premium equal to 15% of the basic premium charge. The Company may make additional exceptions for items shown on the survey.

YOU MAY REQUIRE AMENDMENT OF THE AREA AND BOUNDARY EXCEPTION BY MARKING OUT THIS PARAGRAPH 3. AND BY COMPLYING WITH ITS PROVISIONS BEFORE COMPLETION OF THIS CLOSING.

**4. Arbitration**

This paragraph does not apply to the Residential Owner Policy (T-1R). The parties must later agree to arbitrate under the Residential Owner Policy (T-1R).

You may require deletion of the arbitration provision of the Owner Policy. If you do not delete this provision, either you or the Company may require arbitration, if the law allows. There is no charge to delete this provision.

IF YOUR POLICY IS NOT A TEXAS RESIDENTIAL OWNER POLICY (T-1R), YOU MAY REQUIRE DELETION OF THE ARBITRATION PROVISION BY MARKING OUT THIS PARAGRAPH 4.

**5. Notice**

You may wish to consult an attorney to discuss matters shown in Schedule B or C of the Commitment. These matters will affect your title and use of your land. Your Title Insurance Policy will be a legal contract between you and the Titled Insurer. The Commitment and Policy are not abstracts of title, title reports or representations of title. They are contracts of indemnity. We do not represent that your intended use of the property is allowed under the law or under the restrictions or exceptions affecting your property.

Signature:

\_\_\_\_\_  
Hidalgo County Drainage District No. 1

**BOUNDARY PROTECTION ELECTION**

We are informed that we may secure insurance against boundary discrepancies, boundary conflicts, boundary line issues, encroachments, protrusions and overlaps of improvements (unless the title company adds an exception to a specific item) provided that we: (1) provide a satisfactory existing survey; and, (2) pay an additional **5 % of the Basic Rate for the Residential Owner Policy.**

If we purchase this insurance, the title insurer also must hire an attorney if we are sued over these matters existing at the Date of our Policy.

If we do not purchase this insurance, we must hire our own attorney and surveyor if necessary, and we will not be protected under our Residential Owner Policy against any encroachments, such as buildings over easements, buildings over setback lines, buildings over property lines, or location of fences.

\_\_\_\_\_ Yes. We want to be protected and we elect to buy this additional insurance coverage.

\_\_\_\_\_ No. We do not want to be protected, and we will not have any protection, including attorney's fees or survey costs in a future controversy. We acknowledge that our policy will except to "Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements."

\_\_\_\_\_  
Hidalgo County Drainage District No. 1

**CERTIFICATION**

(continued from HUD-1)

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Date: March 17, 2015

**SELLER:**

HIDALGO COUNTY, TEXAS

By: \_\_\_\_\_  
Ramon Garcia, County Judge

**BUYER:**

HIDALGO COUNTY DRAINAGE  
DISTRICT NO. 1

By: \_\_\_\_\_  
Ramon Garcia, President of the  
Board of Directors

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Date: March 17, 2015

**SETTLEMENT AGENT:**

ATLAS, HALL & RODRIGUEZ, LLP

By: \_\_\_\_\_  
Stephen L. Crain, Partner

**WARNING:** It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code section 1001 and Section 1010.