

Buyer(s) Disclosure Certificate

Guaranty File No.: 20008627  
Seller: Seitz Four Oaks, LP, a Texas limited partnership  
Buyer: Hidalgo County, Texas  
Property:

Being five (5) acres of land, being the West 866 feet of the East 1,116 feet of the North 251.77 feet of the South 503.55 feet of the North 100 acres of the South 227 acres of a tract of land consisting of Blocks 11 and 12, SANTA CRUZ RANCH LANDS, and Block 48, SANTA CRUZ GARDENS UNIT NO. 2, Hidalgo County, Texas, according to the maps recorded in Volume "Z", Page 161, Deed Records and recorded in Volume 8, Page 28, Map Records, both in the Office of the County Clerk of Hidalgo County, Texas, reference to which is here made for all purposes.

This company does not represent that the above described acreage or square footage calculations are true and correct.

Each BUYER (hereinafter called the "BUYER") acknowledges its understanding of the disclosures being made by **Landtitle Texas, L.L.C.** (hereinafter called "Title Company"). Each disclosure is being made to BUYER on behalf of both Title Company and its title insurance underwriter.

**1) Waiver of Inspection.** In consideration of the issuance by Title Company to Buyer(s)initials BUYER of either an Owner Policy of Title Insurance (T-1) or a Residential Policy of Title Insurance (T-1R) - (in this document either such policy, unless specifically referred to otherwise, is referred to as the "Owner Title Policy") insuring good and indefeasible title to the Property, except as to be shown in Schedule B of the Owner Title Policy and subject to the terms and conditions of such policy, Buyer hereby waives any obligation on the part of the Title Company to inspect the property.

Buyer agrees to accept an Owner Title Policy containing a Schedule B exception 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 of right, adverse to the insured owner of the Property as shown on Schedule A of the Owner Title Policy. Within the meaning of this exception, "possession" includes open acts of visible evidence of occupancy and any visible and apparent roadway or easement on or across all or any part of the Property, but this exception does not extend to any right, claim or interest evidenced by a document recorded in the real estate records maintained by the County Clerk of the county in which the Property is located.

HOWEVER, if the Buyer does NOT initial this paragraph, the Buyer is indicating the Buyers' refusal to accept an Owner Title Policy containing an exception to the "Rights of Parties in Possession". The Title Company may then require an inspection of the Property and additional charges may be assessed for the reasonable and actual costs of such an inspection. Title Company may make additional exceptions in Schedule B of the Owner Title Policy for matters as revealed by such inspection.

**2) Receipt of Commitment.** BUYER hereby acknowledges having received and Buyer(s)initials reviewed a copy of the Commitment for Title Insurance issued in connection with the above referenced transaction and any copies of the documents described therein requested by BUYER. BUYER understands that the Owner Title Policy will contain the exceptions set forth in Schedule B of the Commitment for Title Insurance, together with any additional exceptions to title resulting from the final down date search of the public records and from the documents involved in this transaction and any additional exceptions for items shown in Schedule C of the Commitment for Title Insurance which have not been resolved.

**3) Unsurveyed Property.** BUYER understands that no up-to-date survey of the Buyer(s)initials Property has been done in connection with this transaction and that the Owner Title Policy to be issued to BUYER will not provide title insurance coverage against protrusions and/or encroachments of improvements, boundary conflicts, or other matters that would be found by a current survey. Title Company has not attempted to determine if the Property lies in a special flood hazard area, and Title Company has not made any representation concerning proximity of the Property in relation to any flood-plain or flood hazard area. BUYER is advised that information concerning special flood hazard areas may be available from county or municipal offices, a qualified surveyor or land-engineering company, or a private flood-plain consultant.

**4) Acceptance of Existing Survey.** Buyer has elected to accept a copy of Buyer(s)initials an existing survey from Seller in lieu of a new survey with a current date which would disclose if any changes regarding improvements or easements have been made. Title Underwriter and Title Company make no representation concerning the accuracy of the

affidavit or survey. Any coverage relating to encroachments, boundary conflicts and other matters is provided only pursuant to the express terms of the policy of title insurance issued to the insured.

**5) Boundary coverage.** As proposed to be issued, BUYER'S Owner Title Policy Buyer(s)initials will contain a general exception to any discrepancies or conflicts in area or boundary lines, and any encroachments, protrusions, or overlapping of improvements. On payment of an additional appropriate premium, policy coverage against these matters is available, subject to Title Company's approval of a current survey of the Property and without limiting specific exceptions to matters disclosed by the survey. BUYER DECLINES to obtain this additional coverage.

**6) Property Tax Prorations.** Property taxes for the current year have been Buyer(s)initials prorated between BUYER and SELLER, who each acknowledge and understand that these prorations are based upon (a) the sales price or the most current appraised value available and the most current tax rate available or (b) some other common method of estimation.

The Parties each agree that, when the amount of the current year's taxes become known and payable they will adjust any changes of the proration and reimbursement between themselves and the Title Company shall have no liability or obligation with respect to these prorations.

**7) Tax Renditions and Exemption.** Although the Tax Appraisal District may Buyer(s)initials independently determine BUYER'S new ownership and billing address, BUYER is still obligated by law to "render" the Property for taxation by notifying the Tax Appraisal District of the change in the Property's ownership and of BUYER'S proper address for tax billing. BUYER is advised that current year's taxes may have been assessed on the basis of various exemptions obtained by SELLER (i.e., homestead or over-65).

It is the BUYER'S responsibility to qualify for BUYER'S own tax exemptions and to meet any requirements prescribed by the taxing authorities. BUYER acknowledges and understands these obligations and the fact that Title Company assumes no responsibility for future accuracy of Tax Appraisal District records concerning ownership, tax-billing address, or status of exemptions.

IT IS THE RESPONSIBILITY OF THE NEW OWNERS TO NOTIFY THE pertinent APPRAISAL DISTRICT, WATER DISTRICT, and ANY OTHER TAXING BODIES, IF APPLICABLE, OF THE CHANGE OF OWNERSHIP AND MAKE APPLICATION FOR EXEMPTIONS. FAILURE TO DO SO MAY RESULT IN PENALTY AND INTEREST FOR LATE PAYMENTS BEING ADDED TO YOUR TAX STATEMENTS.

**8) Roll-back taxes.** Buyer agrees that the Owners Title Policy will contain an Buyer(s)initials exception to taxes due to "Subsequent Assessments for the prior years due to change in Land Usage or Ownership", in the event that some or all of the property is currently subject to reduced taxation due to designation as "open space" or agricultural use", or is currently exempt from taxation, and said property is subsequently assessed for rollback taxes because of change in land use or ownership of the property. The Buyer and Seller will agree among themselves regarding their respective obligations and the **Title Company shall have no responsibility for resolution of their respective rights or for payment of the rollback taxes.**

**9) Homeowner's Association.** BUYER acknowledges that ownership of the Buyer(s)initials property involves membership in a Homeowner's, Condominium or other Property Owner's Association, to which monthly or annual dues or assessments may be owed. These dues or assessments may be enforceable by a lien against the Property. BUYER understands that the Association, or its managing agent, should be contacted by BUYER immediately, to ascertain the exact amount of future dues or assessments. Title Company has made no representations with respect to, such Associations' annual budget, pending repairs or deferred maintenance, if any, or other debts of the Association. BUYER accepts sole responsibility to obtain such information and verify its accuracy to BUYER'S satisfaction.

**10) Closing Disclaimer.** BUYER acknowledges and understands that the above Buyer(s)initials referenced transaction has not yet "closed". Any change in the possession of the Property takes place AT BUYER'S AND SELLER'S OWN RISK. This transaction is not "closed" until:

- 1) All title requirements are completed to the satisfaction of Title Company;
- 2) All necessary documents are properly executed, reviewed and accepted by the parties to this transaction and by Title Company; and,
- 3) All funds are collected and delivered to and accepted by the parties to whom they are due.

**11) Arbitration.** If you are obtaining an Owner Policy (Form -1) then you Buyer(s)initials have the right to require deletion of the arbitration provision, of such policy, by the execution of a separate, "Deletion of Arbitration Provision" form, which accompanied the commitment. If you do not sign such form, either you or the Company may require arbitration, if the law allows.

**12) Errors and Omissions.** In the event that any of the documents prepared in connection with the closing of this transaction contain errors which misstate or inaccurately reflect the true and correct terms, conditions and provisions of this closing, and the inaccuracy or misstatement is due to a clerical error or to a unilateral mistake on the part of the TITLE COMPANY, or to a mutual mistake on the part of the Title Company and/or the SELLER and/or the BUYER, the undersigned agree to execute, in a timely manner, such correction documents as Title Company may deem necessary to remedy such inaccuracy or misstatement.

**13) Attorney Representation and Notice.** BUYER may wish to consult an attorney to discuss the matters shown on Schedule B or C of the Commitment for Title Insurance that was issued in connection with this transaction. These matters will affect the title and use of the Property. The Title Insurance Policy will be a legal contract between BUYER and the underwriter. Neither the Commitment for Title Insurance nor the Title Insurance Policy are an abstract of title, title reports or representations of title. They are contracts of indemnity. No representation is made that your intended use of the Property is allowed under law or under the restrictions or exceptions affecting the property.

**14) Privacy Policy Notice.** Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing non-public personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Landtitle Texas, L.L.C. and the appropriate underwriter. We may collect nonpublic personal information about you from the following sources: 1) Information we receive from you such as on applications or other forms; 2) Information about your transactions we secure from our files, or from others; 3) Information we receive from a consumer reporting agency; and 4) Information that we receive from others involved in your transaction, such as real estate agent or lender. Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you. We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law. We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements: 1) Financial service providers such as companies engaged in banking, consumer finance, securities and insurance; 2) Non-financial companies such as envelope stuffers and other fulfillment services providers. WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW. We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**15) Settlement statement.** Buyer hereby acknowledges that the information used to prepare the closing statement in this transaction was assembled by the Title Company from third party sources or are estimates based on information available. The Title Company does not make any representations and has no responsibility or liability concerning the accuracy or completeness of this information.

Buyer understands and acknowledges that tax and insurance prorations and reserves are based on estimated figures provided by third parties. In the event the estimated figures used for any calculation prove to have been inaccurate, Buyer agree that the Title Company has no liability or obligation to correct any discrepancies that may result. Further, Buyer agrees that the resolution of any discrepancies must be settled directly by the Buyer.

Buyer agrees that any adjustment in the amount of taxes paid by Buyer to Lender, or held in escrow by Lender for payment of taxes will be adjusted between Buyer and said Lender. Seller and the Title Company will have no liability or responsibility thereof.

Buyer hereby authorizes the Title Company to make expenditures and disbursements as shown on the closing statement and approve the same for payment. The Buyer acknowledges the receipt of loan funds in an amount shown on Settlement statement.

The Title Company may supply a copy of the Settlement statement to any Real Estate Agent, Real Estate Broker or Lender involved in this transaction, and Buyer acknowledges receipt of a copy of this disclosure and the Settlement statement.

**16) Consent to Correction of Scrivener's Errors.** The parties, for and in consideration of appropriate Title Policies issued by Landtitle Texas, L.L.C., agree that Landtitle Texas is hereby authorized and directed to cure any and all clerical errors in the documents relied upon for the issuance of the pertinent Title Policies in this transaction ("Transaction Documents"), including but not limited to the Deed, Mortgage

and ancillary documents, resulting from a scrivener's error in such cases where the scrivener's error does not affect a material term of the transaction ("Scrivener's Error") and is necessary and appropriate to fully, fairly and adequately represent the transaction. Said authorization to cure a Scrivener's Error is granted and may be effectuated by Landtitle Texas at any time without need of further authorization of the undersigned.

**17) Survival of representations.** Buyer understands and agrees that the *Buyer(s)initials* provisions hereof shall survive the closing and funding of this transaction and shall not be merged therein, shall be binding upon the undersigned, their successors and assigns, and shall inure to the benefit of the named parties, their successors and assigns.

**18) Controlled Business Arrangement Disclosure Notice** You have been advised that the *Buyer's initials* owner of Landtitle Texas, L.L.C. is also the owner of LTTX Property Info., L.L.C., and because of that affiliation, there may be a benefit arising therefrom. You are NOT required to use the affiliated company for purchase of the tax investigation/searches performed by it, IF you are required to provide such services in this transaction. By your initials, you have indicated that Landtitle Texas, L.L.C. may acquire such services from LTTX Property Info., L.L.C. in connection with this transaction.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

Hidalgo County, Texas

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By