	<b>First American Title</b>	<b>Owner's Policy of Title Insurance T-1</b>
		ISSUED BY <b>First American Title Insurance Company</b>
<b>Owner's Policy</b>		POLICY NUMBER <b>NCS-801202 O</b>

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

### COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from:
  - (a) A defect in the Title caused by:
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
  - (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. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
  - (d) Any statutory or constitutional mechanic's, contractor's, or materialman's lien for labor or materials having its inception on or before Date of Policy.
3. Lack of good and indefeasible Title.
4. No right of access to and from the Land.

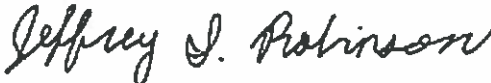
(Covered Risks Continued on Page 2)

In Witness Whereof, First American Title Insurance Company has caused its corporate name to be hereunto affixed by its authorized officers as of Date of Policy shown in Schedule A.

### First American Title Insurance Company



Dennis J. Gilmore  
President



Jeffrey S. Robinson  
Secretary

This jacket was created electronically and constitutes an original document

(This Policy is valid only when Schedules A and B are attached)

### COVERED RISKS (Continued)

5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:
  - (a) the occupancy, use or enjoyment of the Land;
  - (b) the character, dimensions or location of any improvement erected on the Land;
  - (c) subdivision of land; or
  - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective:
  - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws; or
  - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency or similar creditors' rights laws by reason of the failure of its recording in the Public Records:
    - (i) to be timely, or
    - (ii) to impart notice of its existence to a purchaser for value or a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to:
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions or location of any improvement erected on the Land;
  - (iii) subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant

and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- (c) resulting in no loss or damage to the Insured Claimant;
- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
- (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is:
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.
6. The refusal of any person to purchase, lease or lend money on the estate or interest covered hereby in the land described in Schedule A because of Unmarketable Title.

## CONDITIONS

### 1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

- (a) "Amount of Insurance": the amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company or other similar legal entity.
- (d) "Insured": the Insured named in Schedule A.
  - (i) The term "Insured" also includes:
    - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives or next of kin;
    - (B) successors to an Insured by dissolution, merger, consolidation, distribution or reorganization;
    - (C) successors to an Insured by its conversion to another kind of Entity;
    - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title;
      - (1) If the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
      - (2) If the grantee wholly owns the named Insured,
      - (3) If the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
      - (4) If the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
  - (ii) With regard to (A), (B), (C) and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": an Insured claiming loss or damage.
- (f) "Knowledge" or "Known": actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": the land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

- (i) "Public Records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": the estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title.

### 2. CONTINUATION OF INSURANCE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) below, or (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

When, after the Date of the Policy, the Insured notifies the Company as required herein of a lien, encumbrance, adverse claim or other defect in Title insured by this policy that is not excluded or excepted from the coverage of this policy, the Company shall promptly investigate the charge to determine whether the lien, encumbrance, adverse claim or defect or other matter is valid and not barred by law or statute. The Company shall notify the Insured in writing, within a reasonable time, of its determination as to the validity or invalidity of the Insured's claim or charge under the policy. If the Company concludes that the lien, encumbrance, adverse claim or defect is not covered by this policy, or was otherwise addressed in the closing of the transaction in connection with which this policy was issued, the Company shall specifically advise the Insured of the reasons for its determination. If the Company concludes that the lien, encumbrance, adverse claim or defect is valid, the Company shall take one of the following actions: (i) institute the necessary proceedings to clear the lien, encumbrance, adverse claim or defect from the Title as insured; (ii) indemnify the Insured as provided in this policy; (iii) upon payment of appropriate premium and charges therefor, issue to the Insured



Claimant or to a subsequent owner, mortgagee or holder of the estate or interest in the Land insured by this policy, a policy of title insurance without exception for the lien, encumbrance, adverse claim or defect, said policy to be in an amount equal to the current value of the Land or, if a loan policy, the amount of the loan; (iv) indemnify another title insurance company in connection with its issuance of a policy(ies) of title insurance without exception for the lien, encumbrance, adverse claim or defect; (v) secure a release or other document discharging the lien, encumbrance, adverse claim or defect; or (vi) undertake a combination of (i) through (v) herein.

**4. PROOF OF LOSS.**

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

**5. DEFENSE AND PROSECUTION OF ACTIONS.**

(a) Upon written request by the Insured, and subject to the options contained in Sections 3 and 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Sections 3 and 7, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

**6. DUTY OF INSURED CLAIMANT TO COOPERATE.**

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable

aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

**7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.**

In case of a claim under this policy, the Company shall have the following additional options:

**(a) To Pay or Tender Payment of the Amount of Insurance.**

To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

**(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.**

(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is

obligated to pay; or

- (ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay. Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

**8. DETERMINATION AND EXTENT OF LIABILITY.**

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of:

- (i) the Amount of Insurance; or
- (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

- (b) If the Company pursues its rights under Section 3 or 5 and is unsuccessful in establishing the Title, as insured,

- (i) the Amount of Insurance shall be increased by 10%, and
- (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

**9. LIMITATION OF LIABILITY.**

- (a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, all as insured, or takes action in accordance with Section 3 or 7, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.

- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

**10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.**

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance

by the amount of the payment.

**11. LIABILITY NONCUMULATIVE.**

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

**12. PAYMENT OF LOSS.**

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

**13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT.**

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

**14. ARBITRATION.**

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.

**15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.**

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim, shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy or (iv) increase the Amount of Insurance. Each Commitment, endorsement or other form, or provision in the Schedules to this policy that refers to a term defined in Section 1 of the Conditions shall be deemed to refer to the term regardless of whether the term is capitalized in the Commitment, endorsement or other form, or Schedule. Each Commitment, endorsement or other form, or provision in the Schedules that refers to the Conditions and Stipulations shall be deemed to refer to the Conditions of this policy.

**16. SEVERABILITY.**

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

**17. CHOICE OF LAW; FORUM.**

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured, and in interpreting and enforcing the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of laws principles to determine the applicable law.

- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

**18. NOTICES, WHERE SENT.**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at First American Title Insurance Company, Attn: Claims National Intake Center, 1 First American Way, Santa Ana, California 92707. Phone: 888-632-1642.



***First American Title***



*First American*

# Schedule A

## Owner Policy of Title Insurance (T-1)

ISSUED BY

**First American Title Insurance Company**

POLICY NUMBER

**NCS-801202 O**

Name and Address of Title Insurance Company:

**First American Title Insurance Company, 1 First American Way, Santa Ana, CA 92707.**

File No.: NCS-801202-HOU1

Date of Policy: August 31, 2016 at 11:01 A.M.

Address for Reference only: 1001 & 1015 Antoine, Houston, TX

Amount of Insurance: \$2,565,000.00

Premium: \$16,446.25

1. Name of Insured:

Kensinger Properties Limited, a Texas limited partnership, as 80% tenant in common and MLT Commercial Properties LLC, a Texas limited liability company, as 20% tenant in common

2. The estate or interest in the Land that is insured by this policy is:

fee simple

3. Title is insured as vested in:

Kensinger Properties Limited, a Texas limited partnership, as 80% tenant in common and MLT Commercial Properties LLC, a Texas limited liability company, as 20% tenant in common

4. The land referred to in this policy is described as follows:

Tract I

0.819 acres out of a 1.183 acres (51,545 square feet) of land situated in the E B Cogswell survey, abstract number 785, Harris County, Texas, and being part of and out of that certain called 1.6169 acres, described in deed to Louise E Stahlman, as recorded in volume 5754, page 49, deed records of Harris County, Texas (HCDR), said 1.183 acre tract being more particularly described as follows (bearings herein are oriented to the bearing base reflected in the deed of said 1.6169 acre tract):

Beginning at a 3/4-inch iron pipe found marking the west common corner of said 1.6169 acre tract and that certain called 0.083 of One acre, described in deed to City of Houston, as recorded in volume 5616, page 138, HCDR, said common corner also being the southwest corner of Afton Village, a plat of subdivision recorded in volume 46, page 54, map records of Harris County, Texas, said iron pipe also being in the east line of the remainder of that certain called 108.83 acres, described in deed to Woodlawn Cemetery Association, as recorded in volume 1038, page 205, HCDR, said iron pipe also marking the northwest corner of the herein described tract;

Thence, south 89°34'37" east (called east), with the common line of said 1.6169 acre tract, said 0.083 of One acre tract, and said Afton Village, a distance of 36.97 feet (called 37.08 feet) to a 1/2-inch iron rod found in the curved west right-of-way (row) line of Antoine drive, based on a varying width as delineated on said plat of Afton Village, said iron rod also marking the east common corner of said 1.6169 acre tract and said 0.083 of one acre tract, and marking the northeast corner of the herein described tract;

Thence, southerly with the east lines of said 1.6169 acre tract and the west row lines of said Antoine



Drive, the following courses:

Southerly with a non-tangent curve to the left having a radius of 1,185.92 feet, an arc length of 129.98 feet (called 129.96 feet), a central angle of 06°16'48", and a Chord which bears south 16°22'48" east, 129.92 feet to a 1/2-inch iron rod found marking a point of Tangency;

South 19°31'11" east (called south 19°28' east), a distance of 85.32 feet to a 5/8-inch iron rod with plastic cap set marking the beginning of a tangent curve;

Southerly, with a curve to the right having a radius of 894.73 feet, an arc length of 259.15 feet, and a central angle of 16°35'4"-4" to a 1/2 inch iron rod found marking the northeast corner of that certain called 19,036 square feet, described in deed to Mutage joint venture, as recorded under Harris County clerk's file number L780763, official public records of real property of Harris County, Texas, said iron rod also marking the southeast corner of the herein described tract;

Thence, north 88°46'58" west (called north 88°09'07" west), with the north the line of said 19,036 square foot tract, a distance of 170.58 feet (called 170.24 feet) to a 1/2-inch iron rod found in the common line of said 1.6169 acre tract and the aforesaid 108.83 acre tract, said iron rod also marking the northwest corner of said 19,036 square foot tract and the southwest corner of the herein described tract;

Thence, north 02°17'13" east, with said common line, a distance of 455.39 feet to the point of beginning and containing 1.183 acres (51,545 square feet)

Save and except all that portion of land referenced in County clerk's file no. S030744 in official public records of Harris County, Texas

#### Tract II

19,036 square feet of land out of the E. B. Cogswell survey, A-785, in Harris County, Texas, and being the same tract of land called 18,974 square feet of land by instrument recorded in film code no. 172-23-1773 of the Harris County real property records, said 19,036 square feet of land being more particularly described by metes and bounds as follows:

Beginning at a 1/2 inch iron rod found on the north line of railroad marking the southwest corner of said 18,974 square feet tract of land and the southwest corner of that certain 1.6169 acre tract of land described by instrument recorded in vol.5754 pg.49 of the Harris County deed records, same being the southwest corner of the tract of land herein described;

Thence N.02°17'13"E., with the west line of said 1.6169 acre tract of land, and the west line of said 18,974 square feet tract of land, a distance of 115.53 feet to a 1/2 inch iron rod found marking the northwest corner of the tract of land herein described;

Thence S.88°09'07"E., 170.24 feet to a 1/2 inch iron rod found on the west line of Antoine Drive (100 feet wide) marking the northeast corner of the tract of land herein described;

Thence in a southerly direction with said west line and curve to the right, having a radius of 894.73 feet, a chord bearing S.01°02'03"E., 69.81 feet, a length of 69.83 feet to a 5/8 inch iron rod set marking the end of said curve, same being a corner of the tract of land herein described;

Thence s.01°49'48"w., continuing with the west line of Antoine Drive, a distance of 33.48 feet to a 5/8 inch iron rod set on the north line of the H.K.&T. Railroad marking the southeast corner of the tract of land herein described;

Thence with the north line of said railroad and curve to the right, having a radius of 5679.65 feet, a chord bearing S.87°48'40"S., 175.08 feet, a length of 175.09 feet to the place of beginning and containing 19,036 square feet of land, more or less.

Save and except all that portion of land referenced in County Clerk's file no. Y580017 in official public records of Harris County, Texas.



Said Parcels being further described as follows according to a survey prepared by George Collison, RPLS on behalf of Terra Surveying Co., Inc. dated August 11, 2018:

**METES AND BOUNDS DESCRIPTION**  
**1.245 ACRES (54,229 SQUARE FEET)**  
**E. B. COGSWELL SURVEY, A-785**  
**HARRIS COUNTY, TEXAS**

Being a tract or parcel containing 1.245 acres (54,229 square feet) of land situated in the E. B. Cogswell Survey, Abstract Number 785, Harris County, Texas; being out all of the remainder of a called 1.183 acre tract conveyed to I-10 Antoine Trust as described in deed recorded under Harris County Clerk's File (H.C.C.F.) Number (No.) R908070 and all of a called 19,036 square feet tract of land conveyed to I-10 Antoine Trust as described in deed recorded under H.C.C.F. No. T026247; said 1.245 acre tract being more particularly described as follows (bearings herein are based on a called 0.0156 acre tract conveyed to the State of Texas for Right-of-Way of Interstate Highway 10 as recorded under Harris County Clerk's File Number Y580017):

BEGINNING at a 5/8-inch iron rod with plastic cap stamped "Terra Surveying" set marking the south end of a Right-of-Way (R.O.W.) cut-back line at the intersection of the west R.O.W. line of Antoine Road (Width Varies) with the curved north R.O.W. line of Interstate Highway 10 (Also known As Katy Freeway) (Width Varies) and marking the most southerly southeast corner of the herein described tract and marking the beginning of a curve to the right, from which a found Brass Disk stamped "TxDot" bears North 33°04' West, 1.99 feet;

THENCE, Westerly, an arc distance of 150.09 feet, along said north R.O.W. line and said curve to the right, having a radius of 5,679.65 feet, a central angle of 01°30'51" and a chord which bears South 84°41'37" West, 150.09 feet to a 5/8-inch iron rod with plastic cap stamped "Terra Surveying" set in the east line of Woodlawn Garden of Memories, a subdivision plat of record in Volume 28, Page 70 of the Harris County Map Records and marking the southwest corner of the herein described tract;

THENCE, North 00°27'13" West, departing said north R.O.W. line and along the east line of said Woodlawn Garden of Memories, a distance of 358.63 feet to a 5/8-inch iron rod with plastic cap stamped "Terra Surveying" set marking the southwest corner of a called 0.3578 acre tract conveyed to City of Houston recorded under H.C.C.F. No. S030744 and the northwest corner of the herein described tract;

THENCE, North 88°46'38" East, departing said east line, a distance of 113.50 feet (Called 113.93) to a found 1/2-inch iron rod in the west R.O.W. line of the aforesaid Antoine Road marking the southeast corner of said called 0.3578 acre tract and the northeast corner of the herein described tract and the beginning of a curve to the right;

THENCE, Southerly, an arc distance of 223.71 feet, along said curve to the right, having a radius of 894.73 feet, a central angle of 14°19'32" and a chord which bears South 14° 28'54" East, 223.13 feet to a found brass disk stamped "TxDot" marking the most easterly corner of the herein described tract, same marking a point of compound curvature;

THENCE, Southerly, an arc distance of 19.35 feet, along said curve to the right, having a radius of 490.00 feet, a central angle of 2°15'44" and a chord which bears South 01°06'58" East, 19.35 feet to a 5/8-inch iron rod with plastic cap stamped "Terra Surveying" set marking the end of said curve;

THENCE, South 00°00'55" West, a distance of 37.72 feet to a found brass disk stamped "TxDot" marking an angle point of the herein described tract;

THENCE, South 04°10'52" East, a distance of 50.06 feet to a 5/8-inch iron rod with cap stamped "Terra Surveying" set marking the north end of the aforesaid R.O.W. cut-back line and the most easterly southeast corner of the herein described tract from which a found Brass Disk stamped "TxDot" bears South 39°15' West, 1.98 feet;

THENCE, South 41°02'04" West, along said cut-back line, a distance of 32.00 feet to the POINT OF BEGINNING and containing 1.245 acres (54, 229 square feet) of land. This description is based on an ALTA/NSPS Land Title Survey prepared by Terra Surveying Co., Inc., dated August 11, 2016, TSC Project Number 1611-1601, latest revision dated August 24, 2016.

Note: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override item 2 of Schedule B hereof.

Countersigned at Houston, Texas

BY:   
\_\_\_\_\_  
AUTHORIZED SIGNATORY



*First American*

## Schedule B

Owner Policy of Title Insurance (T-1)

ISSUED BY

**First American Title Insurance Company**

POLICY NUMBER

**NCS-801202 O**

File No. NCS-801202-HOU1

### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) that arise by reason of the terms and conditions of the leases and easements, if any, shown in Schedule A and the following matters:

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

See Item 6 (a) below.

2. ~~Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments, or protrusions or any other lapping of improvements.~~
3. Homestead or community property or survivorship rights, if any, of any spouse of any Insured.
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 the 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 right of access to that area or easement along and across that area.
5. Standby fees, taxes and assessments by any taxing authority for the year 2016, 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.
6. The following matters and all terms of the documents creating or offering evidence of the matters:  
(the Company must insert matters or delete this exception)
  - a. Item No. 1, Schedule B, is hereby deleted. (as to tract I and II)
  - b. This item has been intentionally deleted.



- c. This item has been intentionally deleted.
- d. This item has been intentionally deleted.
- e. Rights of tenants, as tenants only, under certain written unrecorded leases or rental agreements, as more particularly described on the attached schedule of leases. (as to Tracts I and II)
- f. This item has been intentionally deleted.
- g. Easement:
  - Purpose: sanitary sewer
  - Recorded: October 29, 1957 in Volume 3415, Page 721, of the Deed records, of Harris County, Texas.  
(as to Tract II)
- h. Easement:
  - Purpose: sanitary sewer lines
  - Recorded: June 18, 1964 in Volume 5558 Page 43, of the Deed records, of Harris County, Texas.  
(as to tract I)
- i. Easement:
  - Purpose: sanitary sewer lines
  - Recorded: June 18, 1964 in Volume 5558 Page 366, of the official public records, of Harris County, Texas.  
(as to tract II)
- j. Easement:
  - Purpose: Aerial Easement
  - Recorded: October 3, 1968 in County Clerk's file no. C788904, of the official public records, of Harris County, Texas.  
(as to tract II)
- k. Easement:
  - Purpose: Aerial Easement
  - Recorded: May 29, 1991 in County Clerk's file no. N154078, of the official public records, of Harris County, Texas.  
(as to tract II)
- l. Terms, conditions and stipulations contained in Agreement: (as to tract II)
  - Recorded: August 01, 1988, County Clerk's file no. L780782, official public Records, Harris County, Texas.
  - Type: Consent to Encroachment
- m. Terms, conditions and stipulations contained in Agreement: (as to tract II)
  - Recorded: February 07, 1991, County Clerk's file no. N008535, official public Records, Harris County, Texas.

Type: Permission to Build Over City Easement

- n. Terms, conditions and stipulations contained in Agreement:(as to tract I)  
Recorded: April 30, 1999, County Clerk's file # T692040, supplemented by County Clerk's file # Y524640, and amended by County Clerk's file # 20130143893, official public Records, Harris County, Texas.  
Type: Memorandum of PCS site Agreement
- o. Leasehold Deed of Trust to secure a Note: (as to tract I)  
Grantor: Global Signal Acquisitions II LLC  
Trustee: William Z. Fairbanks, Jr.  
Beneficiary: Morgan Stanley Asset Funding Inc.  
Dated: July 19, 2005  
Recorded: July 26, 2005, in County Clerk's file no. Y639221, re-recorded by County Clerk's file no. Z314463, of the official public records, of Harris County, Texas.  
Amount: as shown therein
- p. Inclusion within Spring Branch Management District. (as to tract I and II)
- q. The property covered herein is subject to the terms, conditions, provisions and stipulations of Ordinance #1999-262, of the City of Houston, passed March 24, 1999, and amendments, pertaining to the platting and replatting of real property and the establishment of building set back lines along major thoroughfares within such boundaries. (as to tract I and II)
- r. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, 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. (as to tract I and II)
- s. Section 14 of the Conditions of this policy is hereby deleted.



***First American***

**RESTRICTIONS, ENCROACHMENTS, MINERALS -  
OWNER POLICY ENDORSEMENT (T-19.1)**

**Issued by**

***First American Title Insurance Company***

Attached to Policy No.: NCS-801202 O

File No.: NCS-801202-HOU1

1. The insurance provided by this endorsement is subject to the exclusions in Section 5 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.
2. For the purposes of this endorsement only:
  - a. "Covenant" means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.
  - b. "Improvement" means a building, structure, road, walkway, driveway, or curb, affixed to either the Land or adjoining land and that by law constitutes real property, but excluding any crops, landscaping, lawn, shrubbery, or trees.
  - c. "Private Right" means (i) an option to purchase; (ii) a right of first refusal; or (iii) a right of prior approval of a future purchaser or occupant.
3. The Company insures against loss or damage sustained by the Insured by reason of:
  - a. A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation;
  - b. Enforced removal of an Improvement located on the Land at Date of Policy as a result of a violation, at Date of Policy, of a building setback line shown on a plat of subdivision recorded or filed in the Public Records, unless an exception in Schedule B of the policy identifies the violation;
  - c. A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation; or
  - d. Enforcement of a Private Right in a Covenant affecting the Title at Date of Policy based on a transfer of Title on or before Date of Policy that causes a loss of the Insured's Title.
4. The Company insures against loss or damage sustained by reason of:
  - a. An encroachment of:
    - i. an Improvement located on the Land, at Date of Policy, onto adjoining land or onto that portion of the Land subject to an easement; or
    - ii. an Improvement located on adjoining land onto the Land at Date of Policy unless an exception in Schedule B of the policy identifies the encroachment otherwise insured against in Sections 4.a.i. or 4.a.ii.; or
  - b. A final court order or judgment requiring the removal from any land adjoining the Land of an encroachment identified in Schedule B; or
  - c. Damage to an Improvement located on the Land, at Date of Policy that is located on or encroaches onto that portion of the Land subject to an easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved; or
  - d. Damage to an Improvement located on the Land on or after Date of Policy, resulting from the future exercise of a right to use the surface of the Land for the extraction or development of minerals or any other subsurface substances excepted from the description of the Land or excepted in Schedule B.

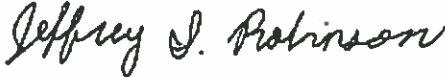
5. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:
- a. any Covenant contained in an instrument creating a lease;
  - b. any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land;
  - c. except as provided in Paragraph 3.c, any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances;
  - d. contamination, explosion, fire, fracturing, vibration, earthquake, or subsidence; or
  - e. negligence by a person or an Entity exercising a right to extract or develop minerals or other subsurface substances.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

***First American Title Insurance Company***



Dennis J. Gilmore  
President



Jeffrey S. Robinson  
Secretary

***First American Title Company, LLC***

COUNTERSIGNED:

Authorized Signature





**First American**

**ACCESS ENDORSEMENT (T-23)**

**Issued by**

***First American Title Insurance Company***

Attached to Policy No.: NCS-801202 O

File No.: NCS-801202-HOU1

Issued by **First American Title Insurance Company** herein called the company

The Company insures against loss or damage sustained by the insured if, at Date of Policy: (i) the land does not abut and have both actual vehicular and pedestrian access to and from Antoine Road (the "Street"), or (ii) the street is not physically open.

This endorsement is made a part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

***First American Title Insurance Company***

Dennis J. Gilmore  
President

Jeffrey S. Robinson  
Secretary

***First American Title Company, LLC***

COUNTERSIGNED:

Authorized Signature



**First American**

**CONTIGUITY ENDORSEMENT T-25**

**Issued by**

***First American Title Insurance Company***

Attached to Policy No.: NCS-801202 O

File No.: NCS-801202-HOU1

Issued by First American Title Insurance Company HEREIN CALLED THE COMPANY

The Company hereby insures against loss or damage sustained by the insured by reason of:

- (1) the failure of the south boundary line of Tract I of the land to be contiguous to the north boundary line of Tract II of the land ;  
  
or
- (2) the presence of any gaps, strips or gores separating any of the contiguous boundary lines described above.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

***First American Title Insurance Company***

Dennis J. Gilmore  
President

Jeffrey S. Robinson  
Secretary

***First American Title Company, LLC***

COUNTERSIGNED:

Authorized Signature



**First American**

**Important Notice**

ISSUED BY

**First American Title Insurance Company**

**IMPORTANT NOTICE**

*To obtain information or make a complaint:*

*You may call First American Title Insurance Company's toll-free telephone number for information or to make a complaint at:*

**1-888-632-1642**

*You may also write to First American Title Insurance Company at:*

**1 First American Way  
Santa Ana, California 92707**

*You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:*

**1-800-252-3439**

*You may write the Texas Department of Insurance:*

P.O. Box 149104  
Austin, TX 78714-9104  
Fax: (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**PREMIUM OR CLAIM DISPUTES:**

*Should you have a dispute concerning your premium or about a claim you should contact First American Title Insurance Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.*

**ATTACH THIS NOTICE TO YOUR POLICY:**

*This notice is for information only and does not become a part or condition of the attached document.*

**AVISO IMPORTANTE**

*Para obtener información o para presentar una queja:*

*Usted puede llamar al número de teléfono gratuito de First American Title Insurance Company's para información o para presentar una queja al:*

**1-888-632-1642**

*Usted también puede escribir a First American Title Insurance Company:*

**1 First American Way  
Santa Ana, California 92707**

*Usted puede comunicarse con el Departamento de Seguros de Texas para obtener información sobre compañías, coberturas, derechos, o quejas al:*

**1-800-252-3439**

*Usted puede escribir al Departamento de Seguros de Texas a:*

P.O. Box 149104  
Austin, TX 78714-9104  
Fax: (512) 490-1007  
Web: <http://www.tdi.texas.gov>  
E-mail: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

**DISPUTAS POR PRIMAS DE SEGUROS O  
RECLAMACIONES:**

*Si tiene una disputa relacionada con su prima de seguro con una reclamación, usted debe comunicarse con el First American Title Insurance Company primero. Si la disputa no es resuelta, usted puede comunicarse con el Departamento de Seguros de Texas.*

**ADJUNTE ESTE AVISO A SU PÓLIZA:**

*Este aviso es solamente para propósitos informativos y no se convierte en parte o en condición del documento adjunto.*

Form 50-TXNOTICE (5-27-15)

Page 1 of 1

Mandatory Complaint Notice (6-1-15)  
Texas