

Cover page for:

Preliminary Title Insurance Schedules (with copies of recorded exception documents*)

* A copy of the Van Zandt County Subdivision Regulations Approved and Accepted by Van Zandt County Commissioners Court on April 28, 2021 is listed as an exception and is posted for your review as a separate document.

Preliminary title insurance schedules prepared by:

Attorney's Title Company of Henderson County

(File Number: 24-103-OC)

Auction Tracts 4, 5, 6

Parcel ID 19389

Van Zandt County, Texas

May 14, 2024 auction to be conducted by:

**Schrader Real Estate and Auction Company, Inc.
(in cooperation with Paul A. Lynn & Associates, LLC)**

On behalf of:

Twin Lakes Dairy, LP, Mark C. Hannan, and Laurie L. Hannan

COMMITMENT FOR TITLE INSURANCE T-7

ISSUED BY

FIDELITY NATIONAL TITLE INSURANCE COMPANY

SCHEDULE A

Effective Date: **April 1, 2024, 7:00 am**

GF No. **24-103-OC**

Commitment No. _____, issued **April 18, 2024, 3:00 pm**

1. The policy or policies to be issued are:

- a. OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)
Policy Amount:
PROPOSED INSURED: **TBD**
- b. TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
Policy Amount:
PROPOSED INSURED:
- c. LOAN POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
- d. TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE
(Form T-2R)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
- e. LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN
(Form T-13)
Binder Amount:
PROPOSED INSURED:
Proposed Borrower:
- f. OTHER
Policy Amount:
PROPOSED INSURED:

2. The interest in the land covered by this Commitment is: **Fee Simple**

3. Record title to the land on the Effective Date appears to be vested in:
Twin Lakes Dairy, L.P.

4. Legal description of land:

All that certain tract or parcel of land situated in Van Zandt County, Texas, being a part of the Leander Smith Survey, A-827, said county, located about 1 mile south of Martins Mill in said county, and being part of the Phillips land conveyed in Vol. 319, page 601, and Vol. 348, page 220, of the Deed Records of Van 2andt County, Texas, more fully described as follows:

BEGINNING at a fence corner post for Southeast corner approximately 559.49 feet West of survey Southeast corner;

THENCE, with the fenced boundary line this tract North 2 deg. 16 min, West 1560.65 feet a point for Northeast corner this tract in the center of a public road, said point being 20 feet North of a fence corner post in the South boundary line said roadway;

THENCE with the center said public road North 89 deg. 33 min. West 1521.41 feet a point for intersection corner in the center of another public road;

THENCE with the center said public road South 6 deg. 38 min. 1535 feet a fence line for South boundary line said survey;

THENCE South 89 deg., 4 min. 21 sec. East with the fenced south boundary line said survey 1405.94 feet to the point of beginning, containing 51.797 acres of land, more or less.

LESS AND EXCEPT:

All that certain lot, tract or parcel of land located within the L. Smith Survey, Abstract No. 827 of Van Zandt County, Texas, being a portion of a called 51.797 acre tract, described in a deed from William Randall Shapiro and wife, Brandi Shapiro to Twin Lakes Dairy, LP, dated April 14, 2015 and recorded in Document No. 2015-003069 of the Real Records of Van Zandt County, Texas, and this 9.78 acre tract being more fully described as follows:

BEGINNING at a Cotton Spindle Set in County Road 4304 for the Northeast corner of this tract and being in the North line of said called 51.797 acre tract, from which a 1/2" Iron Rod Found in the North line of said County Road 4304 at the Southeast corner of a called 9.56 acre tract as described in a deed from 4M Ranch to Joshua Ross, dated April 6, 2021 and recorded in Document No. 2021- 003823 bears North 87 deg. 56 min. 31 sec. East, a distance of 1079.37 feet;

THENCE South 00 deg. 00 min. 00 sec. East, across said 51.797 acre tract, passing a 1/2" Iron Rod Set for reference at 20.00 feet and continuing for a total distance of 864.02 feet to a 1/2" Iron Rod Set for corner;

THENCE North 90 deg. 00 min. 00 sec. West, across said 51.797 acre tract, a distance of 496.31 feet to a 1/2" Iron Rod Set for corner;

THENCE North 00 deg. 00 min. 00 sec. West, continuing across said 51.797 acre tract, passing a 1/2" Iron Rod Set for reference at 832.72 feet and continuing for a total distance of 852.72 feet to a Cotton Spindle Set in said County Road 4304 for corner in the North line of said called 51.797 acre tract, from which a 5/8" Iron Rod Found in the common line of said 9.56 acre tract and a called 7.83 acre tract as described in a deed from Michael Dunavant and Mellisa Dunavant to Mark A. Schaeffer, dated June 17, 2021 and recorded in Document No. 2021-007070 bears North 87 deg. 41 min. 36 sec. East a distance of 1018.79 feet; THENCE North 88 deg. 41 min. 44 sec. East, with said County Road 4304 and the North line of said 51.797 acre tract, a distance of 496.44 feet to the POINT OF BEGINNING AND CONTAINING 9.78 ACRES OF LAND.

LESS AND EXCEPT:

All that certain lot, tract or parcel of land located within the L. SMITH SURVEY, Abstract Mo. 827, of Van Zandt County, Texas, being a portion of a called 51.797 acre tract, described in a deed from William Randall Shapiro and wife, Brandi Shapiro, to Twin Lakes Dairy, LP, dated April 14, 2015 and recorded in Document No. 2013-003069 of the Real Records of Van Zandt County, Texas, and this 9.78 acre tract being more fully described as follows:

BEGINNING at a Cotton Spindle Set in County Road 4304 for the Northeast corner of this tract and being in the North line of said called 51.797 acre tract, from which a 1/2" Iron Rod Found in the North line of said County Road 4304 at the Southeast corner of a called 9.56 acre tract as described in a deed from 4M Ranch to Joshua Ross, dated April 6, 2021 and recorded in Document No. 2021-003823 bears North 88 deg. 10 min. 46 sec. East, a distance of 1575.78 feet;

THENCE South 00 deg. 00 min. 00 sec. East, across said 51.797 acre tract, passing a 1/2" Iron Rod Set for reference at 20.00 feet and continuing for a total distance of 852.72 feet to a 1/2" Iron Rod Set for corner;

THENCE North 90 deg. 00 min. 00 sec. West, across said 51.797 acre tract, passing a 1/2" Iron Rod Set for reference at 417.96 feet and continuing for a total distance of 447.96 feet to a Cotton Spindle Set for corner in F.M. 1861;

THENCE North 07 deg. 27 min. 24 sec. West, with said F.M. 1861, a distance of 847.18 feet to a Cotton Spindle Set in said F.M. 1861 for corner being the Northwest corner of said called 51.797 acre tract, from which a 5/8" Iron Rod Found in the common line of said 9.56 acre tract and a called 7.83 acre tract as described in a deed from Michael Dunavant and Mellisa Dunavant to Mark A. Schaeffer, dated June

17, 2021 and recorded in Document No. 2021- 007070 bears North 88 deg. 02 min. 53 sec. West a distance of 1576.79 feet;

THENCE North 88 deg. 41 min. 44 sec. East, with said County Road 4304 and the North line of said 51.797 acre tract, a distance of 558.05 feet to the POINT OF BEGINNING and containing 9.78 acres of land.

Countersigned
Attorney's Title Company of Henderson County

By **Heather Hale**

SCHEDULE B

EXCEPTIONS FROM COVERAGE

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

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

Restrictions contained in deed from William Randall Shapiro and wife, Brandi Shapiro, to Twin Lakes Dairy, LP, a Texas limited partnership, dated April 14, 2015, recorded in Document No. 2015-003069, Real Records of Van Zandt County, Texas, as follows: "No mobile, modular or manufactured homes on the property, and HVAC dwelling minimum 1,800 square feet."

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any of any spouse of any insured. (Applies to the Owner's Policy only.)
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of 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 rights of access to that area or easement along and across that area.(Applies to the Owner's Policy only.)
5. Standby fees, taxes and assessments by any taxing authority for the year **2024**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy of Title Insurance (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year _____ and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the

homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)

8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)
9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy of Title Insurance (T-2R). (Applies to Texas Short Form Residential Loan Policy of Title Insurance (T-2R) only.) Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy of Title Insurance (T-2R).
10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
 - a. **Rights of Parties in Possession. (Owner's Title Policy Only)**
 - b. **All visible and apparent easements on or across the property, and such circumstances, rights or claims as may arise from the existence of power lines and drainage structures which may be in place beneath the surface of the ground.**
 - c. **Any portion of insured premises lying within the boundaries of a public road or street.**
 - d. **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.**
 - e. **Order of Commissioners Court of Van Zandt County, establishing subdivision regulations , dated April 28, 2021. This exception applies to any application of the Van Zandt County subdivision regulations to the Property by any public body, whether such regulations are recorded or not, without limitation.**
 - f. **The Land has frontage or abuts F. M. Highway 1861, which is a controlled access highway. This policy does not insure against the exercise of power by competent governmental authority to limit, control or deny access, ingress or egress to the Land from said highway or service road which the Land abuts, nor does it insure that the Insured has or shall continue to have access, ingress or egress from such property to and from said highway and service road.**
 - g. **Right of Way Deed from Maurine E. Lowrie to Bethel-Ash Water Supply Corporation, dated June 1, 1988, recorded in Volume 1286, page 624, Real Records of Van Zandt County, Texas, insofar as it affects the herein described**

subject property.

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
2. Satisfactory evidence must be provided that:
 - a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - b. all standby fees, taxes, assessments and charges against the property have been paid,
 - c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, sub-contractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
 - d. there is legal right of access to and from the land,
 - e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
3. You must pay the seller or borrower the agreed amount for your property or interest.
4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.
 - h. We will require all closing documents and figures in our office at least 24 hours prior to closing or closing date and time will be changed.**
5. **We will require a copy of the signed closing statement and/or disbursement sheet if file does not close in our office.**
6. **Require Sellers/Owners to execute and Affidavit as to Debts and Liens in regards to Bankruptcy, Federal Tax Liens, Judgments, etc., on prescribed form.**
7. **At closing, the Proposed Insured of the Owner Policy will be requested to sign a Waiver of Inspection (see "Texas Title Insurance Information" accompanying this Commitment). In the event that the Proposed Insured declines to sign this Waiver, the Company reserves its rights to conduct a physical inspection of the land and to then charge an inspection fee, all in accordance with regulations of the Texas Department of Insurance.**
8. **We will require a 1099-S on all transactions involving a Sale.**
9. **NOTE TO ALL BUYERS, SELLERS, BORROWERS, LENDERS AND ALL PARTIES INTERESTED IN THE TRANSACTION COVERED BY THIS COMMITMENT. The**

following constitutes a major change in the procedures and requirements for disbursement of funds by the title agent pursuant to this transaction: Effective August 1, 1988, The State Board of Insurance has adopted Procedural Rule P-27 which requires that "Good Funds" be received and deposited before a Title Agent may disburse from its Trust Fund Account. The term "Good Funds" is defined as: (1) Cash or Wire Transfers; (2) Certified Funds, including Certified Checks and Cashier's Checks; (3) Uncertified Funds in amounts less than \$1500.00, including Checks, Traveler's Checks, Money Orders and Negotiable Orders of Withdrawal; provided multiple items shall not be used to avoid the \$1500.00 limitation; and (4) Uncertified Funds in amounts of \$1500.00 or more, Drafts, and any other item when collected by the Financial Institution.

10. Determine that all taxing information received from all taxing agencies and verification that tax certificates furnished represent all taxes on property to be insured. ALL TAXES MUST BE PAID.
11. IF TRANSACTION CLOSES IN OUR OFFICE, WE WILL REQUIRE TWO FORMS OF IDENTITY FOR EACH PARTY. (EXAMPLE: DRIVER'S LICENSE AND SOCIAL SECURITY CARD.
12. Require new survey OR sellers execution of an "Affidavit of No Changes on Previous Survey" with survey attached locating all improvements if any part of survey exception is to be deleted. Survey must be approved by Title Company prior to closing. Attorney's Title Company reserves the right to make additional requirements upon receipt and review of survey. If survey is NOT required, then this requirement does not apply.
13. Title Company will require a copy of the partnership agreement relative to TWIN LAKES DAIRY, L.P. together with a copy of the Certificate of Limited Partnership filed with the Secretary of State.
14. Title Company will require a Resolution stating the officers and authorizing the sale on TLD, INC., the GENERAL PARTNER OF TWIN LAKES DAIRY, L.P.
15. Title Company will require Release from FIRST STATE BANK, ATHENS, TEXAS to TWIN LAKES DAIRY L. P. Releasing Vendor's Lien in Clerk's File No. 2015-003070 of the Van Zandt County Real Property Records dated April 3, 2015 from WILLIAM RANDALL SHAPIRO and BRANDI SHAPIRO to TWIN LAKES DAIRY L. P. as secured by Deed of Trust of even date in Clerk's File No. 2015-003069 of the Van Zandt County Real Property Records executed by TWIN LAKES DAIRY, L.P. to JESS LAIRD Trustee for FIRST STATE BANK, ATHENS TEXAS in the amount of \$165,760.00.
16. Title Company will require a Deed executed by TWIN LAKES DAIRY, L.P. to "TBD".(Buyer information not given.)

17. If the T-19 Endorsement is issued, item four of said endorsement, will be deleted therefrom

Countersigned
Attorney's Title Company of Henderson County

By **Heather Hale**

COMMITMENT FOR TITLE INSURANCE

SCHEDULE D

GF No. **24-103-OC**

Effective Date: **April 1, 2024, 7:00 am**

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

- 1. The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment

Fidelity National Title Insurance Company

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the Writing of Title Insurance in the State of Texas, the following disclosures are made:

1. The issuing Title Insurance Company, Fidelity National Title Insurance Company , is a corporation whose shareholders owning or controlling, directly or indirectly, 10% of said corporation, directors and officers are listed below:

Shareholders: Fidelity National Group, Inc, which is owned 100% by FNTG Holdings, LLC which is owned 100% by Fidelity National Financial, Inc.

Directors: Raymond Randall Quirk, Anthony John Park, Michael Louis Gravelle, Michael J. Nolan

Officers: President, Randal Raymond Quirk, Executive Vice President, Anthony John Park, Secretary, Michael Louis Gravelle, Treasurer, Daniel Kennedy Murphy

- 2. As to Attorney's Title Co. (Title Insurance Agent), the following disclosures are made: Attorney's Title Company of Henderson County Shareholders, owners, partners or other persons having, owning or controlling 1% or more of Title Insurance Agent are as follows:

Damon Douglas 51.39 %	Pamela Burdick 5.14%	Jeff Fulgham 2.57%
Gary Lee Holiman 2.57%	Ellen Leibrock 5.14%	Raymond Shackelford 0.52%
Shirley Ward 6.31%	Glenda Park 0.67%	Sarah Simmons 2.31
Deborah Gardiner 12.13%	Skipper Lay 1.28%	
Glenda Beth Park Stroup 0.62%	Sheradon Waits 2.31	
JYH Trust, Jack Hunter, Trustee 7.04%		

The following individuals are Officers of Attorney's Title Company of Henderson County

President Shirley Ward
Chairman of the Board Damon Douglas

- 3. You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owner's Policy \$0.00

Loan Policy	<u>\$0.00</u>
Endorsement Charges	<u>\$0.00</u>
Other	<u>\$0.00</u>
Total	<u>\$0.00</u>

Of this total amount: 15% will be paid to the issuing Title Insurance Company; 85%, will be retained by the Agent and out of that remaining 85% a portion of that premium will be paid to other parties as follows:

<u>Amount</u>	<u>To Whom</u>	<u>For Services</u>
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" *The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance."

COMMITMENT FOR TITLE INSURANCE (Form T-7)

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.

The commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The commitment is a legal document. You should review it carefully to completely understand it before your closing date.

El seguro de título le asegura en relación a pérdidas resultantes de ciertos riesgos que pueden afectar el título de su propiedad.

El Compromiso para Seguro de Título es la promesa de la compañía aseguradora de títulos de emitir la póliza de seguro de título. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transacción.

Your Commitment of Title insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The Policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

- **MINERALS AND MINERAL RIGHTS** may not be covered by the Policy. The Company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown in Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- **EXCEPTIONS** are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions

section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- **EXCLUSIONS** are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- **CONDITIONS** are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at (800) 654-7041 or by calling the title insurance agent that issued the Commitment. The Texas Department of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

DELETION OF ARBITRATION PROVISION

(Not applicable to the Texas Residential Owner'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

Fidelity National Title Insurance Company

Premium Amount	Rate Rules	Property Type	County Code	Liability at Reissue Rate	6	7	8
1	2	3 30	4 467	5			

Document No. 2015-003069

WARRANTY DEED WITH VENDOR'S LIEN

Parties: SHAPIRO WILLIAM RANDALL

to

TWIN LAKES DAIRY LP

FILED AND RECORDED
REAL RECORDS

On: 04/15/2015 at 03:22 PM

Document Number: 2015-003069

Receipt No.: 201571363

Amount: \$ 38.00

By: chardin
Pamela Pearman, County Clerk
Van Zandt County, Texas

5 Pages

DO NOT REMOVE THIS PAGE – IT IS A PART OF THIS INSTRUMENT



STATE OF TEXAS
COUNTY OF VAN ZANDT

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded under the Document Number stamped hereon of the Official Public Records of Van Zandt County.

Pamela Pearman, County Clerk

Record and Return To:

FREE STATE ABSTRACT TITLE COMPANY



NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

WARRANTY DEED WITH VENDOR'S LIEN

Date: April 14, 2015

Grantor: **WILLIAM RANDALL SHAPIRO AND WIFE, BRANDI SHAPIRO**

Grantor's Mailing Address: 2105 Bay Club Drive
Arlington, Tarrant County, Texas 75013

Grantee: **TWIN LAKES DAIRY LP, a Texas limited partnership**

Grantee's Mailing Address: 2201 FM 1861
Ben Wheeler, Van Zandt County, Texas 75754

Consideration:

TEN AND NO/100 (\$10.00) DOLLARS and other good and valuable consideration, and a note of even date that is in the principal amount of ONE HUNDRED SIXTY-FIVE THOUSAND SEVEN HUNDRED SIXTY AND NO/100 DOLLARS (\$165,760.00), and is executed by Grantee, payable to the order of FIRST STATE BANK. The note is secured by a vendor's lien retained in favor of FIRST STATE BANK, in this Deed and by a Deed of Trust of even date from Grantee to JESS LAIRD, Trustee.

Property (including improvements):

All that certain tract or parcel of land, being a part of the Leander Smith Survey, Abstract No. 827, Van Zandt County, Texas, and being more particularly described by metes and bounds on Exhibit "A" attached hereto and incorporated herein by reference for all purposes.

Reservations from Conveyance and Warranty: Grantor herein reserves for Grantor, Grantor's heirs and assigns all of Grantor's interest in the oil, gas and other minerals in and under and that may be produced from the property. Grantor herein waives his right to use the surface of the above described property for the purpose of exploration and drilling, including rights of ingress and egress across the property.

No mobile, modular or manufactured homes on the property.
HVAC dwelling minimum 1,800 square feet.

Exceptions to Conveyance and Warranty:

Liens described a part of the consideration and any other liens described in this deed as being either assumed or subject to which title is taken; validly existing easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded and validly existing restrictions, reservations, covenants, conditions, oil and gas leases, mineral interests, and water interests outstanding in persons other than Grantor, and other instruments, other than conveyances of the surface fee estate, that affect the property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; all rights, obligations, and other matters arising from and existing by reason any governmental or other entity authorized to establish regulations and assess taxes and liens, including, but not limited to, the county where the property is located and water improvement districts; applicable zoning regulations; and taxes for the current year, which Grantee assumes and agrees to pay; but not subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantor assumes.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights

and appurtenances thereto in any wise belonging, to have and to hold it to Grantee, Grantee's heirs, executors, administrators, and successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

The vendor's lien against and superior title to the property are retained until each note described is fully paid according to its terms, at which time this deed shall become absolute.

FIRST STATE BANK, at Grantee's request, has paid in cash to Grantor that portion of the purchase price of the Property that is evidenced by the note. The first and superior vendor's lien against and superior title to the Property are retained for the benefit of FIRST STATE BANK and are transferred to FIRST STATE BANK without recourse against Grantor.

When the context requires, singular nouns and pronouns include the plural.

William Randall Shapiro
WILLIAM RANDALL SHAPIRO
Brandi Shapiro
BRANDI SHAPIRO

AGREED TO AND ACCEPTED BY:

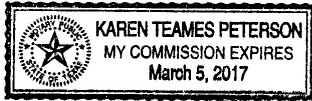
TWIN LAKES DAIRY, LP, a Texas limited Partnership

By: TLD, INC., a Texas corporation, its General Partner

By: Mark P. Hannan
Name: Mark Hannan
Its: Sole Director

STATE OF TEXAS §
COUNTY OF VAN ZANDT §

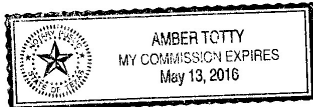
This instrument was acknowledged before me on the 14 day of April, 2015 by **WILLIAM RANDALL SHAPIRO and wife, BRANDI SHAPIRO.**



Karen Teames Peterson
NOTARY PUBLIC, STATE OF TEXAS
Karen Teames Peterson
Expiration: March 5, 2017

STATE OF TEXAS §
COUNTY OF Van Zandt §

This instrument was acknowledged before me on the 14 day of April, 2015 by Mark Hannan, Sole Director of TLD, INC., a Texas corporation, General Partner of TWIN LAKES DAIRY, LP, a Texas limited partnership, in the capacity therein stated and as the act and deed of said limited partnership.



Amber Totty
NOTARY PUBLIC, STATE OF TEXAS

PREPARED IN THE LAW OFFICE OF:

Celia C. Flowers
Attorney at Law
1021 ESE Loop 323 Suite 200
Tyler, TX 75703

AFTER RECORDING RETURN TO:

Twin Lakes Dairy, LP
2201 FM 1861
Ben Wheeler, TX 75754

EXHIBIT "A"

All that certain tract or parcel of land situated in Van Zandt County, Texas, being a part of the Leander Smith Survey, A-827, said county, located about 1 mile South of Martins Mill in said county, and being part of the Phillips land conveyed in Vol. 319, page 601, and Vol. 348, page 220, of the Deed Records of Van Zandt County, Texas, more fully described as follows:

BEGINNING at a fence corner post for Southeast corner approximately 559.49 feet West of survey Southeast corner;

THENCE, with the fenced boundary line this tract North 2 deg. 16 min. West 1560.65 feet a point for Northeast corner this tract in the center of a public road, said point being 20 feet North of a fence corner post in the South boundary line said roadway;

THENCE with the center said public road North 89 deg. 33 min. West 1521.41 feet a point for intersection corner in the center of another public road;

THENCE with the center said public road South 6 deg. 38 min. 1535 feet a fence line for South boundary line said survey;

THENCE South 89 deg. 4 min. 21 sec. East with the fenced South boundary line said survey 1405.94 feet to the point of beginning, containing 51.797 acres of land, more or less.

UNITED STATES DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION

RIGHT OF WAY EASEMENT
(General Type Easement)

45/53

KNOW ALL MEN BY THESE PRESENTS, that Maurine E. Lowrie (hereinafter called "Grantors"), in consideration of one dollar (\$1.00) and other good and valuable consideration paid by Bethel-Ash Water Supply Corp. (hereinafter called "Grantee"), the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install and lay and thereafter use, operate, inspect, repair, maintain, replace, and remove water distribution lines and appurtenances over and across 79 acres of land, more particularly described in instrument recorded in Vol. 843, Page 276-233 Deed Records, Van Zandt County, Texas, together with the right of ingress and egress over Grantors' adjacent lands for the purpose for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipe line(s) is installed, the easement herein granted shall be limited to a strip of land 15' in width the center line thereof being the pipe line as installed.

9/22/1975

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein and the Grantee will maintain such easement in a state of good repair and efficiency so that no unreasonable damages will result from its use to Grantors' premises. This Agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above described lands and that said lands are free and clear of all encumbrances and liens except the following:

The easement conveyed herein was obtained or improved through Federal financial assistance. This easement is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the easement continues to be used for the same or similar purpose for which financial assistance was extended or for so long as the Grantee owns it, whichever is longer.

IN WITNESS WHEREOF the said Grantors have executed this instrument this 1st day of JUNE, 19 58.

Maurine E. Lowrie

ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF TARRANT

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Maurine E. Lowrie known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument, and acknowledged to me that he (she) (they) executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE 31st day of May, 19 88.

(Seal)

FILED FOR RECORD
This 14th Day of July
19 93 At 2:47 O'clock P M
Elizabeth Everitt
County Clerk, Van Zandt Co, TX
By Elizabeth Everitt Dep

Cathy H...
Notary Public in and for
Van Zandt County, Texas