

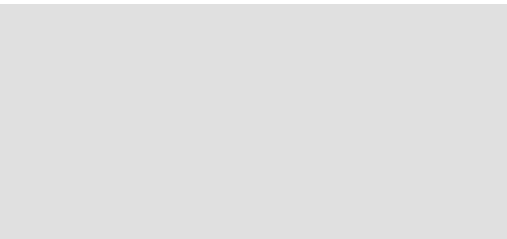


COMMITMENT FOR TITLE INSURANCE (T-7)
Issued by
FIRST NATIONAL TITLE INSURANCE COMPANY

We, First National Title Insurance Company, will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.



FIRST NATIONAL TITLE INSURANCE COMPANY

By: [Signature]
Chad Hansen, President
[Signature]
Patrick McMillan, Treasurer

TEXAS TITLE INSURANCE INFORMATION

Table with 2 columns: English text and Spanish text. English text: 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. Spanish text: 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.

CONDITIONS AND STIPULATIONS

- 1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing.
2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued.

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

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. 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 1-888-944-3684 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.

IMPORTANT NOTICE

FOR INFORMATION,
OR TO MAKE A COMPLAINT
CALL OUR TOLL-FREE NUMBER

1-888-944-3684

ALSO YOU MAY CONTACT
THE TEXAS DEPARTMENT OF
INSURANCE AT

1-800-252-3439

To obtain information on:

1. Filing a complaint against an insurance company or agent.
2. Whether an insurance company or agent is licensed.
3. Complaints received against an insurance company or agent.
4. Policyholder rights.
5. A list of consumer publications and services available through the Department.

YOU MAY ALSO WRITE TO
THE TEXAS DEPARTMENT OF INSURANCE
P.O. BOX 12030
AUSTIN, TEXAS 78711-2030
FAX NO. (512) 490-1007

AVISO IMPORTANTE

PARA INFORMACION, O
PARA SOMETER UNA QUEJA
LLAME AL NUMERO GRATIS

1-888-944-3684

TAMBIEN
PUEDE COMUNICARSE CON
EL DEPARTAMENTO DE SEGUROS
DE TEXAS AL

1-800-252-3439

Para obtener información sobre:

1. Como someter una queja en contra de una compañía de seguros o agente de seguros.
2. Si una compañía de seguros o agente de seguros tiene licencia.
3. Quejas recibidas en contra de una compañía de seguros o agente de seguros.
4. Los derechos del asegurado.
5. Una lista de publicaciones y servicios para consumidores disponibles a través del Departamento.

TAMBIEN PUEDE ESCRIBIR AL
DEPARTAMENTO DE SEGUROS
DE TEXAS
P.O. BOX 12030
AUSTIN, TEXAS 78711-2030
FAX NO. (512) 490-1007

SCHEDULE A

Effective Date:

Commitment No

1. 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: [REDACTED]
PROPOSED INSURED: [REDACTED]

b. TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE
ONE-TO-FOUR FAMILY RESIDENCES (Form T1-R)
Policy Amount: \$
PROPOSED INSURED:

c. LOAN POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount: [REDACTED]
PROPOSED INSURED: [REDACTED]

Proposed Borrower: [REDACTED]

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)
Policy 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 Effective Date appears to be vested in:

4. Legal Description of land:

Countersigned:



FIRST NATIONAL TITLE INSURANCE COMPANY

By 
Chad Hansen, President

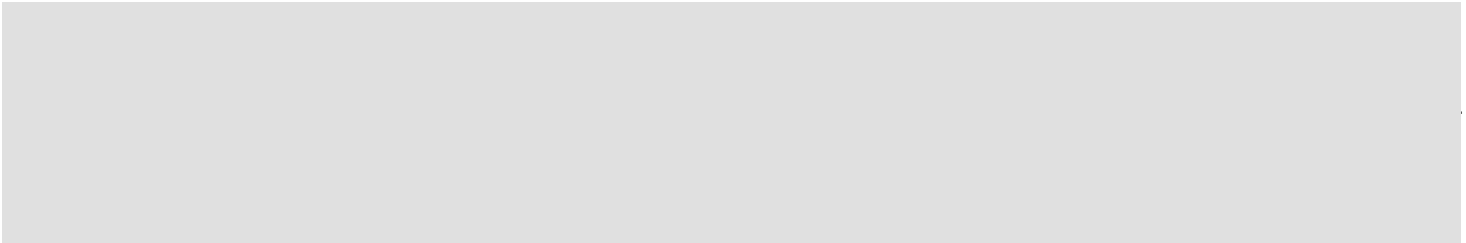

Patrick McMillan, Treasurer

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:

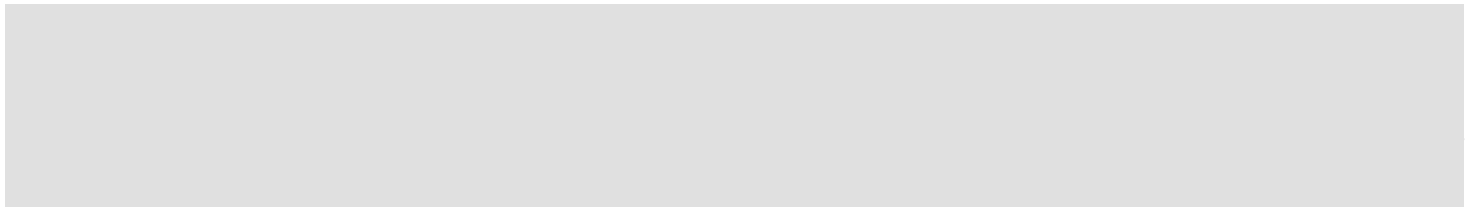
1. The following restrictive covenants of record itemized below:



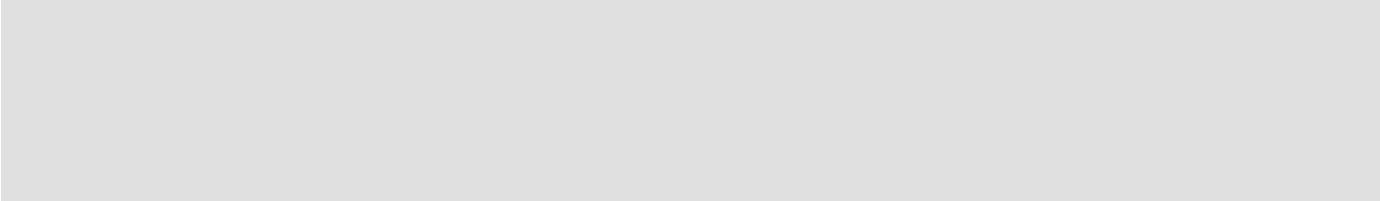
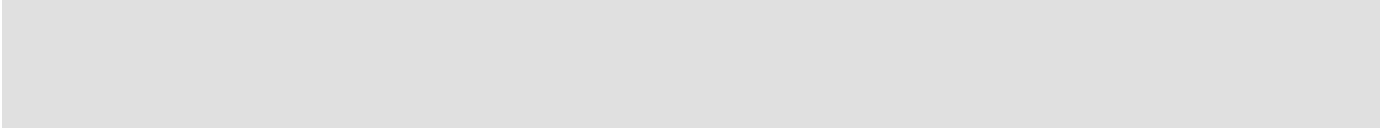
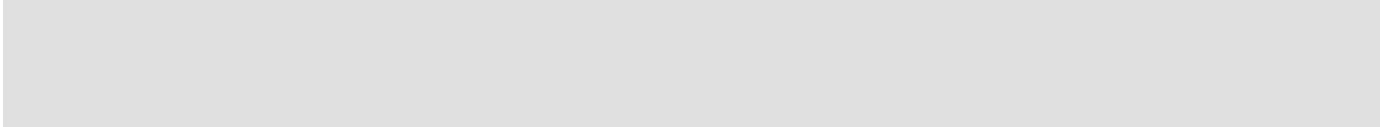
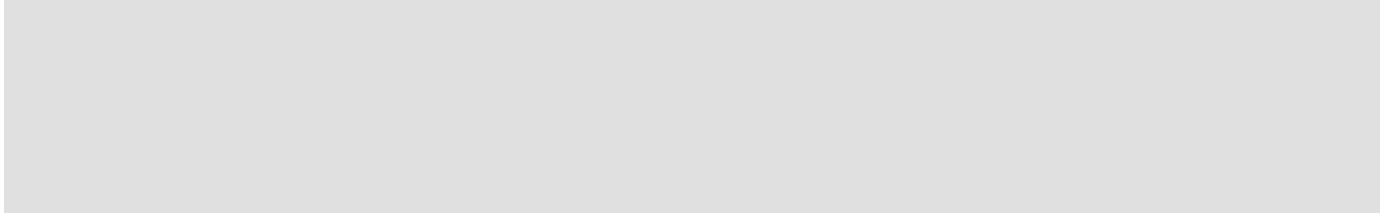
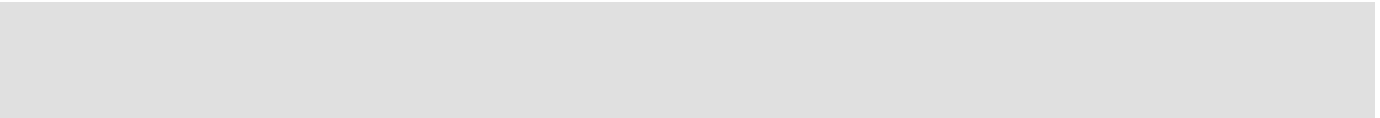
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner's Policy only.)
4. Any titles or rights 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.



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. 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.
 - b. Intentionally Deleted.
 - c. Rights of parties in possession. (OTP only)
 - d. Rights of tenants, as tenants only, under unrecorded leases or rental agreements.
 - e. 
 - f. 
 - g. 
 - h. Subject property lies within the boundaries of HCWCID #136.
 - i. Subject property lies within the boundaries of Harris County Emerg SRV Dist 7.
 - j. Subject property lies within the boundaries of Harris County Emerg SERV Dist 11.
 - k. 
 - l. All leases, grants, exceptions or reservations of the geothermal energy and associated resources below the surface of the land, 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 the geothermal energy and associated resources below the surface of the land that are not listed.
 - m. Rights of the public, the State of Texas and the municipality in and to that portion of subject property, if any, lying within the boundaries of any roadway, public or private.
 - n. Intentionally Deleted.
 - o. 

COMMITMENT FOR TITLE INSURANCE (T-7)
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SCHEDULE C

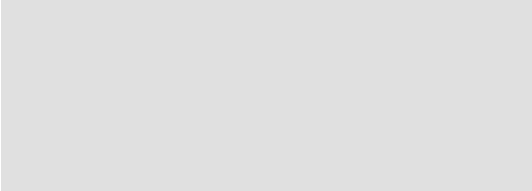
Your Policy will not cover loss, costs, attorneys fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

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.
5. Appears to be clear of voluntary liens. Company requires lien affidavit.
6. Property is located in the Harris County WCID NO. 136. Seller and purchaser must execute, acknowledge and we must record a statutory notice required pursuant to Section 49.452 of the Texas Water Code. Company requires that all assessments be paid current to date of closing.
7. Declaration requires payment of assessments to Homeowner's Association or a continuing lien may exist against subject property. Company requires verification that all assessments are paid current to the date of closing. NOTE: Closer to satisfy company that no liens for unpaid Homeowner's Assessment(s) remain that would be superior to any new Home Equity Lien Deed of Trust.
8.
9. Company requires copies of the Articles of Organization and Regulations to determine who has authority to act on behalf of the limited liability company; verification from the Secretary of State that the Certificate of Organization has been issued; and Good Standing Certificate from the Comptroller of Public Accounts.
10. Company requires marital history of record owner shown on Schedule A hereof from date of acquisition to date of closing. Company requires joinder of spouse as facts indicate. Subject to any change in marital status since said date which would result in an outstanding interest.
11. Company will require the Seller(s) and/or Borrower(s) execute an Affidavit of Debts, Liens and Third Party Interests.

12.

13. The following note is for informational purposes only: The following deed(s) affecting said land were recorded within the last 24 months of the date of the commitment: None.

Countersigned:



FIRST NATIONAL TITLE INSURANCE COMPANY

By: 
Chad Hansen, President


Patrick McMillan, Treasurer

SCHEDULE D

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. As to each Commitment for Title Insurance, the issuing Title Insurance Company, **First National Title Insurance Company**, a Texas corporation, shall disclose:

(a)

(b)

(c)

2. As to each Commitment for Title Insurance issued by [REDACTED] shall disclose:

- (a) A listing of each shareholder, owner, partner, or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium.

Shareholder/Owners: [REDACTED]

- (b) A listing of each shareholder, owner, partner, or other person having, owning or controlling 10 percent (10%) or more of an entity that has, owns or controls one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium.

- (c) If the Agent is a corporation: (i) the name of each director of the Title Insurance Agent, and (ii) the names of the President, the Executive or Senior Vice-President, the Secretary and the Treasurer of the Title Insurance Agent.

Directors/Officers: [REDACTED]

- (d) The name of any person who is not a full-time employee of the Title Insurance Agent and who receives any portion of the title insurance premium for services performed on behalf of the Title Insurance Agent in connection with the issuance of a title insurance form; and the amount of premium that any such person shall receive.
- (e) For purposes of this paragraph 2, "having, owning or controlling" includes the right to receipt of a percentage of net income, gross income, or cash flow of the Agent or entity in the percentage stated in subparagraphs (a) or (b).

3. As to each Commitment for Title Insurance, the following language shall be included in each Schedule D, together with all required information included within the blanks contained below:

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 any sum 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	\$	
Loan Policy	\$	
Endorsement Charges	\$	
Other	\$	
Total	\$	

Of this amount: \$206.55 (or 15 %) will be paid to the policy issuing Title Insurance Company; (or 85 %) will be retained by the Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

AMOUNT	TO WHOM	FOR SERVICES
(or %)		
(or %)		
(or %)		

*The estimated premium is based upon information furnished us as the date of this Commitment for Title Insurance. Final determination of the amount of premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.



COMMITMENT FOR TITLE INSURANCE (T-7)
Issued by
FIRST NATIONAL TITLE INSURANCE COMPANY

DELETION OF ARBITRATION PROVISION
(Not applicable to the Texas Residential Owner's Policy)

ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Insurance Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to require arbitration if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the closing of your real estate transaction or by writing to the Company.

The arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

SIGNATURE

DATE

NAME OF TITLE AGENT

FILE NUMBER



Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of First National Title Insurance Company

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.