

PROPERTY REPORT

BEFORE SIGNING ANYTHING

This report is prepared and issued by the developer of this subdivision. It is not prepared or issued by the Federal Government.

Federal law requires that you receive this Report prior to your signing a contract or agreement to buy or lease a Lot in this subdivision. However, NO FEDERAL AGENCY HAS JUDGED THE MERITS OR VALUE, IF ANY, OF THIS PROPERTY.

If you receive this Report prior to signing a contract or agreement, you may cancel your contract or agreement by giving notice to the seller any time before midnight of the seventh day following the signing of the contract or agreement.

If you did not receive this Report before you signed a contract or agreement, you may cancel the contract or agreement any time within two years from the date of signing.

Name of Subdivision: **Texas Grand Ranch**

Name of Developer: **I Texas Grand Ranch, LLC**

Date of This Report: **March 20, 2017**

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In this Property Report, the words, “you” and “your” refer to the buyer (“Purchaser”). The words “we”, “us”, and “our” refer to the Developer.

RISKS OF BUYING LAND

The future value of any land is uncertain and dependent upon many factors. DO NOT expect all land to increase in value.

Any value that your Lot may have will be affected if the roads, utilities and all proposed improvements are not completed.

Resale of your Lot may be difficult or impossible, since you may face the competition of our own sales program and local real estate brokers may not be interested in listing your Lot.

Any subdivision will have an impact on the surrounding environment. Whether or not the impact is adverse and the degree of impact will depend on the location, size, planning, and extent of development. Subdivisions that adversely affect the environment may cause governmental agencies to impose restrictions on the use of the land. Changes in plant and animal life, air and water quality and noise levels may affect your use and enjoyment of your Lot and your ability to sell it.

In the purchase of real estate, many technical requirements must be met to assure that you receive proper title. Since this purchase involves a major expenditure of money, it is recommended that you seek professional advice before you obligate yourself.

WARNINGS

THROUGHOUT THIS PROPERTY REPORT THERE ARE SPECIFIC WARNINGS CONCERNING THE DEVELOPER, THE SUBDIVISION OR INDIVIDUAL LOTS. BE SURE TO READ ALL WARNINGS CAREFULLY BEFORE SIGNING ANY CONTRACT OR AGREEMENT.

GENERAL INFORMATION

This Report covers 698 Lots ("Lot") located in Texas Grand Ranch ("Subdivision") in Walker County, Texas. Currently, the Subdivision consists of Section 1, Section 2, Section 3A, Section 3B, and Section 4A however the Developer owns land contiguous to this section and intends to develop the land as an additional section or sections in Texas Grand Ranch.

I Texas Grand Ranch, LLC, is the owner of the Lots in Texas Grand Ranch. Texas Grand Ranch is a newly planned subdivision.

The Lots in this Subdivision are part of a planned unit development and are now under development by the Developer. See Page 49 for a listing of these Lots. It is estimated that the Subdivision will eventually contain approximately 755 Lots.

The Developer of Texas Grand Ranch is:

I Texas Grand Ranch, LLC

Located at:

183 Water Street

Williamstown, MA 01267

Telephone: 413-458-9395

Answers to questions and information about the Subdivision may be obtained by telephoning the Developer at the number listed above.

THE DEVELOPER IS NOT CONTRACTUALLY OBLIGATED TO COMPLETE THE RECREATIONAL FACILITIES AND PURCHASERS SHOULD CAREFULLY CONSIDER THE PURCHASE IF IT IS BASED ON THE ASSUMPTION THAT THE RECREATIONAL FACILITIES WILL BE COMPLETED.

TITLE TO THE PROPERTY AND LAND USE

A person with legal title to property generally has the right to own, use and enjoy the property. A contract or agreement to buy a Lot may give you possession but does not give you legal title. You will not have legal title until you receive a valid deed. A restriction or an encumbrance on your Lot, or on the Subdivision, in which the Lot is located, could adversely affect your title.

Here, we will discuss the Vacant Land Purchase Contract ("Contract") you will sign and the deed you will receive. We will also provide you with information about any land use restrictions and encumbrances, mortgages, or liens affecting your Lot and some important facts about payments, recording and title insurance.

METHOD OF SALE

The following is provided as a cursory summary of the sales contracting process. Please review your sales contract for complete terms and conditions.

Sales Contract and Delivery of Deed

You will be required to execute a Vacant Land Purchase Contract as the form of Contract for the purchase of your Lot. At the time you sign the Contract, you will be required to pay 10% of the purchase price of your Lot as a down payment. You will be required to pay the balance of the purchase price in full at closing which is the time title is transferred to you. Developer may use one of two title companies. If you fail to make your payments required by the contract, you may lose your Lot and all monies paid.

The Developer is not offering financing to purchasers. Purchasers may finance the purchase of their Lot through third party lenders that may offer financing to qualified purchasers.

We intend to deliver a Special Warranty Deed, free and clear of liens and encumbrances, except those listed in the contract, restrictions, easements, and covenants of record and any purchase money mortgage you may obtain to finance the purchase of your Lot, to you at the time of closing. Closing will take place on the date set forth in the Contract which will be no later than 180 days from the date you sign the Contract.

The above disclosures are set forth as a cursory outline of the sales contract process. You are encouraged to carefully review your Real Estate Sales Contract and Recorded Covenants for additional requirements that may be imposed on the purchase and use of your Lot.

Type of Deed

The transfer of legal title to you will be accomplished by a Special Warranty Deed conveying fee simple title to you.

Oil, Gas and Mineral Rights

The oil, gas and mineral rights will not belong to you. Prior owners have granted these rights and Developer does not own them. As such, Developer cannot convey you title to oil, gas and mineral rights. The exercise of oil, gas and mineral rights by the holders of said rights could affect the use, enjoyment and value of your Lot. Pursuant to Section 2.8 of the Third Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Texas Grand Ranch, designated, or in the future to be designated, areas of the property may be designated as drill sites for the purpose of any operations for the exploration, drilling, development and/or production of oil, gas (or any other substances produced from wellbores with oil or gas) and/or any other mineral substances or any operations in connection therewith.

ENCUMBRANCES, MORTGAGES AND LIENS

There are no encumbrances, mortgages, or liens affecting the Lots being offered in the Subdivision. The previously applicable Deed of Trust has been satisfied. You should carefully review the title insurance commitment affecting your Lot with an appropriate professional prior to closing to determine any other factors that may affect your Lot.

Release Provisions

The previously applicable Deed of Trust has been satisfied, therefore no liens or encumbrances affect the property and no release provisions are applicable.

You should carefully review the title insurance commitment affecting your Lot with an appropriate professional prior to closing to determine any other factors that may affect your Lot.

RECORDING THE LOT PURCHASE AGREEMENT AND DEED

Method or Purpose of Recording

Under Texas law, the recording of your deed will protect you from subsequent creditors of the Developer. Your contract may not be recorded as it is not in recordable form. The Developer will deliver you a Special Warranty Deed at the closing. Upon closing, the title company will record your deed at your expense.

UNLESS YOUR CONTRACT OR DEED IS RECORDED YOU MAY LOSE YOUR LOT THROUGH THE CLAIMS OF SUBSEQUENT PURCHASERS OR SUBSEQUENT CREDITORS OF ANYONE HAVING AN INTEREST IN THE PROPERTY.

Title Insurance

We do not deliver a title insurance policy to you, though you may purchase title insurance yourself from any title company in Walker County, Texas. You should obtain an attorney's opinion of title or a title policy which will describe your rights of ownership and the status of your title, and have an attorney, title examiner or other appropriate professional interpret and explain the opinion or policy to you. The Developer does not set the costs related to obtaining a title insurance policy and they can change at any time.

PAYMENTS

Escrow

The down payment or payment in full for your lot, as the case may be, will be deposited in one of two escrow accounts administered by either Fidelity National Title Agency, 1800 Hughes Landing Blvd. Suite 150, The Woodlands, TX 77380 a Texas title company, and maintained at Fidelity National Title Agency, 3030 Longmire Road, Suite 201 Conroe, TX 77304 or Huntsville Abstract & Title Company 1214 Sam Houston Ave., Huntsville, TX, 77340, Attn: Samuel P. Johnson The title company used will be the "escrow agent." We do not have any financial interest in, or any control over, the escrow agents. We do not receive your money from the escrow account until a Special Warranty Deed, transferring the Lot to you, and a release of the lien of the Deed of Trust has been filed and recorded in the Official Public Records of Walker County, Texas.

Prepayments

If you finance your purchase through a third party, you should inquire about your lender's policies regarding prepayment penalties. If you purchase your Lot in cash there will be no prepayment penalties since you will make full payment of the balance at closing.

Default

If Seller fails to perform for any reason, Purchaser shall be entitled to recover his deposit and any other money he has deposited into escrow or paid to or for Seller's account. If Purchaser fails to perform for any reason, Seller shall be entitled to recover any deposit made by Purchaser to Seller or his agent or into escrow and out of any other money Purchaser has deposited into escrow or paid to or for Seller's account. These

sums stated as liquidated damages shall be in lieu of any other monetary relief to which the parties might otherwise be entitled by virtue of this Contract or by operation of law.

All purchasers should carefully review their contracts, notes, and mortgages, if applicable to determine what rights the Developer has against a purchaser who defaults.

RESTRICTIONS ON THE USE OF YOUR LOT

Restrictive Covenants

The Third Amended and Restated Declaration of Covenants, Conditions & Restrictions for Texas Grand Ranch (the "Covenants"), for the Subdivision has been recorded the Office of the County Clerk and Recorder of Walker County, Texas. The Third Amended and Restated Declaration of Covenants, Conditions, & Restrictions adds Section 3A. The First Amendment to the Covenants, adding Section 2 has been recorded with Walker County, Texas. The Second Amendment to the Covenants, adding Section 3B has been recorded with Walker County, Texas. The Third Amendment to the Covenants has been recorded with Walker County, Texas. The Fourth Amendment to the Covenants, adding Section 4A has been recorded with Walker County, Texas. The Covenants, as amended and restated impose general restrictions and easements over the Subdivision, the lots, the common elements and limited common elements. All of the capitalized terms not defined in this section shall have the same meaning as in the Covenants. A complete copy of these restrictive Covenants affecting your Lot is available upon request. Certain of those provisions of the Covenants which require you to secure permissions, approvals or take other action prior to using or disposing of your Lot will be discussed in the paragraphs below. However, this discussion will only highlight certain areas of the Covenants and should not be a substitute for a careful review and study of the full set of Covenants by you.

The Covenants provide that prior to any construction on your lot you must submit and obtain approval of your plans from the Architectural Review Committee (the "Committee" or the "ARC") of the I Texas Grand Ranch Property Owners Association (the "Association"). The Committee's approval shall be granted or withheld based on matters of compliance with the provision of the Covenants, as may be amended from time to time, quality of materials, drainage, harmony of external design and color with existing and proposed structures in the Subdivision and location with respect to topography and finished grade elevation. By approving any construction plans or specifications for the improvement or alteration of any Lot, neither the Committee nor the Association, guaranty or warrant the quality of the plans or specifications nor the habitability, feasibility or quality of the resulting improvements. Each application made to the Committee shall be accompanied by, among other things, (i) an application fee of \$500.00 for lots closing on or before October 30, 2015, \$1,000 fee for lots closing after October 30, 2015 and (ii) two (2) sets of professionally drawn plans and specifications for all proposed construction (initial or alterations) on such Lot, (including a site plan drawn to a scale of 1"=20' for the

location of all building footprints, proposed septic, driveways, walkways, and the setbacks from all Lot lines, drainage easements, and samples of the siding, roofing, rock, in the colors to be used). The Committee may impose additional documentary requirements on all applications, set additional reasonable application and inspection fees, as well as, a damage deposit, as set forth in the Covenants. If any construction activity has begun prior to receiving final approval from the Committee, a fine of \$1,000 per day will be imposed until all work has stopped and Committee approval has been obtained. Such fine shall be due and payable prior to ARC approval. The sole authority for determining whether construction plans and specifications for proposed improvements are in compliance with the provision of the Covenants, as amended, as to quality and color of materials, drainage, harmony of external design and color with existing and proposed structures and location with respect to topography, finished grade elevations and other relevant factors, rests with the Committee. Disapproval of plans and specifications, including location of proposed improvements, may be based by the Committee on its review of the plans under the provisions of the Covenants, which shall seem sufficient in the sole discretion of the Committee. For a complete description of the Committee, its powers, the architectural review process and its requirements, you should carefully review the Covenants. The Association has hired PCMI to review and approve submitted plans. Submittals to be delivered/sent to the attention of the ARC, care of: I Texas Grand Ranch POA. Architectural Review Committee 1015A SH 150 West, New Waverly, TX 77358. 936 235-2038.

The Covenants contain general standards for building improvements and use restrictions on all property within the development including but not limited to:

Single Family Residential Construction

No building shall be erected on a Lot other than one (1) single-family residential dwelling ("Dwelling") per Lot to be used for residential purposes only with the exception of a Guest/Servants House which may be built on the Lot provided it matches the same design as the single-family dwelling. A Guest/Servant House is a separate house or living quarters contained within a barn. A Guest/Servants House must contain a minimum of 500 square feet and a maximum of not more than 50% of the square footage of the dwelling. Mobile homes, trailers, modular or manufactured homes, or pre-fabricated homes are prohibited. Each Dwelling shall have a fully enclosed garage for not less than two (2) automobiles, detached garages may also be constructed on the property provided they are built for at least two (2) and not more than five (5) automobiles. Occupancy in the Dwelling is limited to one (1) family. All driveways in the Subdivision must be constructed of asphalt or concrete at the Purchaser's expense and must be completed within twelve (12) months from the setting of forms for the foundation of the Dwelling or structure.

All Dwellings, detached garages, barns, tack-rooms, and workshops must be approved in writing by the "Committee" prior to being erected, altered, or placed on the property. All dwellings shall have a minimum of 2,000 square feet of living area, excluding

porches, and shall be built with new construction materials. There must be a minimum of 1,600 square feet of living area on the first floor of a multi-story dwelling. No structures shall exceed two (2) stories or a total of thirty (30) feet in height unless written approval has been given by the Committee, including but not limited to, barns and windmills. Construction of the exterior of the dwelling shall be completed within twelve (12) months from the setting of forms for the foundation of the dwelling. Construction of a Guest/Servant House, barn, or other structures may not commence until construction on the dwelling has commenced. Construction or improvements of all structures (other than dwellings) shall be completed as to exterior finish and appearance within six (6) months from the setting of forms for the foundation of said improvement or structure.

All dwelling foundations shall consist of (i) concrete slabs, or (ii) piers and beams with the entire dwelling being skirted with brick or materials which match the outside of the dwelling as may be approved by the Committee. The Committee may, in its sole discretion, approve a different type of foundation when circumstances such as topography of the Lot make it impractical to use one of the foundations listed in (i) or (ii) above. Minimum finished slab elevation for all Dwellings must be twelve (12") inches above 100 year flood plain, or such levels as may be established by the competent authorities of Walker County, Texas.

All Owners, during their respective construction of a Dwelling, are required to burn, in accordance with applicable regulations, or remove and haul from the Lot all tree stumps, trees, limbs, branches, underbrush and all other trash or rubbish cleared from the Lot for construction of the residence, construction of other improvements and landscaping. No material or trash hauled from the Lot may be placed elsewhere in the Subdivision or on land owned by Developer whether adjoining the Subdivision or not. Burning on Lots shall be permitted as long as it does not violate any governmental rules or regulations. No more than 20% of trees in excess of 10" at five feet (5') in height, may be cleared, unless approved by a variance granted by the ARC. This 20% of trees does not include any trees required to be removed for the building pad of the Dwelling. Any clearing ten feet (10') beyond the building pad or two feet (2') beyond the driveway requires the written approval of the ARC.

A natural vegetation buffer must be maintained on the rear twenty five (25') feet of Lots fronting on the common area and the following lots; Block 6, Lots 184-209, which border private ownership. Removal of the vegetative buffer is subject to fines up to \$5,000 and the requirement to plant and re-establish the vegetative buffer. Preliminary Lot clearing or vegetation removal may consist of removing only the vegetation from an owner's lot which is three inches (3") in diameter at five feet (5') in height or thinner. If these conditions are met, preliminary Lot clearing does not require ARC approval. All other removal of vegetation requires prior approval from the ARC.

All Builders, Owners, and any Contractors will be responsible for any and all damage caused to roads, roadside ditches, easements and other adjoining Lots during the course of construction of a dwelling or other improvements upon a Lot. Any applicant for

construction or improvement on the Lot will be required to post a minimum damage deposit of \$3,500.00 or a reasonable amount determined by the Committee prior to undertaking of construction. This damage deposit shall be returned upon completion of Dwelling or improvement provided the Association determines that no damage to the roads, ditches, or easements was caused by said Builder, Owner, or Contractor. Owner, Builder or Contractor must supply and maintain a portable toilet and trash bins for construction trash during the construction of a Dwelling or Improvement. All Builders, Owners and their Contractors shall be responsible for keeping the construction site free of debris and trash. Each Owner, Builder or Contractor must provide (i) a concrete clean out area, (ii) construction fencing, and (iii) a siltation fence along all ditches. Concrete clean out and other disposal of debris, etc. in roadside ditches is prohibited. All concrete washouts, truck bed cleaning, etc. must be done on the lot being constructed on. Violation of these restrictions may lead to the forfeiture of the damage deposit.

Livestock and Animals

No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other common household pets, one (1) horse per acre may be kept on Lots consisting of at least two (2) acres and a maximum of two (2) chickens per acre owned will be allowed, provided that they are not kept, bred or maintained for commercial purposes and do not become a nuisance or threat to other Owners. Calves, chickens, sheep or goats being raised for FFA or 4-H school sponsored programs will be permitted on Lots. The maximum number of animals kept for FFA or 4-H purposes shall be two (2) livestock plus six (6) chickens (e.g., two (2) calves and six (6) chickens; or one (1) calf, one (1) goat and six (6) chickens, etc.). No pigs, hogs, llamas, alpacas, emus, peacocks, ostriches or reptiles will be permitted under any circumstances or school sponsored programs.

Prohibition of Offensive Activities

All activity conducted on the Lot shall be related to single family residential purposes. No noxious or offensive activity of any sort shall be permitted nor shall anything be done on any Lot which may become an annoyance or nuisance to the Subdivision. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance.

No swimming pool may be constructed on the Lot without prior written approval of the Committee.

Garbage, trash, and manure or other refuse accumulated in the Subdivision shall not be permitted to be dumped at any place upon adjoining land which creates a nuisance to an owner. Trash, garbage, and manure or other waste shall be kept in sanitary containers and shall be disposed of regularly. No Lots shall be used as a depository for abandoned or junked automobiles.

No signs, advertisement, billboard or advertising structure of any kind may be erected or maintained on any Lot without prior written consent of the ARC, except one (1) professionally made sign not more than twenty-four inches by twenty-four inches (24" x 24"), advertising a Dwelling for sale or rent, may be placed on such improved Lot. With prior written consent of Developer or the ARC, a builder may erect one (1) professionally made four-by-four foot (4' x 4') minimum to four-by-eight foot (4' x 8') maximum sign advertising the model home or advertising the Builders of the Dwelling. The sign may be placed on such Lot during the construction period of the Dwelling, from the forming of the foundation until completion, not to exceed a twelve (12) month period. Builders of model homes may leave this sign up in perpetuity. No signs shall be permitted on unimproved Lots, except by Developer. Developer or any member of the ARC shall have the right to remove any unapproved sign, advertisement or billboard or structure which is placed on any Lot in violation of the Covenants. After the Transition Date the Board of Directors will develop a uniform sign code for Owners wishing to sell their lots.

Propane Tanks must be buried underground. In addition, the location of the propane tank must be shown on the site plan submitted for ARC approval.

Commercial vehicles are not permitted to park within the Subdivision, except those used by a builder or contractor during the construction of a home or improvement of a Lot.

In order to promote aesthetic quality within the Subdivision, the Committee shall have the right to review and approve, or prohibit, any item placed on a Lot including but not limited to: sunlight obstructions, roof top collectors, flagpoles, flags, pennants, ribbons, streamers, wind socks, and weather vanes, exterior storage sheds, children's playground equipment, exterior lights, ornamental statuary or sculpture, location of dwelling on the Lot, location of satellite dishes or antennas. The following items are prohibited on any Lot: above ground swimming pools, window air conditioning units, signs, unregistered or unlicensed or inoperable vehicles or equipment. No more than 20% of trees in excess of 10" may be cleared, unless approved by the variance by the Committee.

All lots within the subdivision are bound by the Covenants, except designated reserves, which are unrestricted.

Each lot is restricted to residential use only and certain size, height and parking requirements for each home to be constructed are set out.

It is required that any type of proposed construction on a Lot, including but not limited to barns, guest/servants houses, fences, landscaping, and swimming pools, must be submitted to and approved by the Committee.

The Covenants set out minimum square footage requirements for the living area of the main residential structure.

There are certain side property easements and front, side and rear building set back lines that must be followed.

Mandatory maintenance fees are provided for in the Covenants to be used for providing maintenance of all common areas and streets, enforcement of Subdivision restrictions and other services and items necessary to meet the needs and purpose of the Association.

If a variance to deviate from the Covenants or the Builder Guidelines as defined in the Covenants is requested, a non-refundable application fee of \$250.00 for each variance requested is required with the submittal form.

Additionally, as additional tracts of land are brought into the Subdivision, the Developer shall create Supplemental Declarations. Until the Supplemental Declarations are recorded, there is no assurance that they will be applied uniformly and therefore they may be difficult to enforce. The Covenants will impose general restrictions and easements over the property, the Lots, the common elements and limited common elements. A complete copy of these restrictions is available upon request. All of the capitalized terms not defined in this section shall have the same meaning as in the Declarations.

There are many additional provisions of the Covenants. Carefully review all such provisions with an appropriate professional to determine if any are of additional interest to you as they may affect your use and enjoyment of the lot. A complete copy of these restrictions is available upon request.

Easements

The Lots in this Subdivision are subject to easements that affect the use of the Lots. Developer has reserved easements on all Lots to the extent reasonably necessary to install and provide upkeep for a nature trail, roads, drainage systems, street lights, and all utilities, including but not limited to water, meter boxes, telephone and electricity. The following is a summary of the easements based on a cursory review of the general plat maps of the Subdivision. There may be other easements set forth on area maps affecting the Subdivision that may or may not be noted on the plats for the Subdivision and the following should not be viewed as a substitute for a complete review of your plat, survey, and title search by you and your advisor prior to purchasing a Lot in this Subdivision. Developer makes no representation that the disclosures contained herein cover every possible easement on your Lot. The exact location and type of easements can change and you should carefully review the recorded Covenants, plat, survey, and title search, and any documents referenced therein and you should make a personal on-the-lot inspection of your Lot to determine if other easements, including power line and other infrastructure easements that are not currently shown on an existing plat may exist. You

will be responsible for the costs associated with ordering and reviewing a title search for your Lot.

Nature Trail Easement

An easement on, over and across portions of the development has been reserved for "Nature Trails." Owners, their families, guests and invitees are entitled to non-exclusive use and enjoyment of the Nature Trails. No Owner or other person whomsoever shall be permitted to fence or obstruct any portion of any Nature Trail, and no building, fence or other structure whatsoever shall be constructed or maintained on any Nature Trail.

Flowage Easement

There are flowage or drainage easements of varying widths in favor of Walker County affecting portions of the development. While landowners are prohibited from constructing any improvements in the drainage areas, each of these Lots has ample space to construct a home outside of the easement area. The lots affected by these easements and the effect thereon are described below:

Block 1- Lots 3, 20-33

Block 2- Lots 1, 2, 43

Block 8- Lot 1

All Lots in Section 1 of the Subdivision are subject to a 15' PUE & NTE Easement running along the road frontage of their Lot. All Lots in Section 2 of the Subdivision are subject to a 20' PUE & NTE Easement running along the road frontage of their Lot. All Lots in Section 2 of the Subdivision are subject to a 5' WLE & NTE Easement running along the road frontage of their Lot. All Lots in Section 3A are subject to a 20' PUE & NTE and a 5' or 10' WLE & NTE Easement running along the road frontage of their Lots.

Block 1

30' x 40' Drainage Easement

Lot- 11

30' HOA Park Area Access Easement with 110 x 217 parking area

Lot- 20

10' Texas Grand Ranch Property Owner Association Nature Trail Easement

Lot- 20-31

25' Minimum Offset From Existing FEMA 100 Year Flood Plain

Lots- 22-30

Variable Width Drainage Easement
Lots- 20-33

Drainage Easement
Lots- 23, 27, 28, 42-44, 50, 51, 55, 56, 58-62, 70

30' x 42.34 Drainage Easement
Lots- 31, 32

Block 2

Variable Drainage Easement
Lots- 1, 2, 3, 43,

30' x 40' Drainage Easement
Lots- 7, 8, 13, 20

Variable Width HOA Access Easement
Lots- 32

Drainage Easement
Lots- 32, 33

30' x 42.34 Drainage Easement
Lots- 25

Block 3

Drainage Easement
Lots- 5, 8, 9, 20

30' x 40' Drainage Easement
Lots- 23, 32

30' x 42.34' Drainage Easement
Lots- 12, 13

Block 4

Drainage Easement
Lots- 3, 4

30' Wide Drainage Easement
Lot- 11

Block 5

30' x 40' Drainage Easement
Lots- 3, 16

Drainage Easement
Lots- 8, 9

30' Wide Drainage Easement
Lot- 21-22

Block 6

Drainage Easement
Lots- 18, 36, 61, 64, 67, 95-99, 161, 162, 177-179, 184-187

30' x 42.34' Drainage Easement
Lot- 26

30' Wide Drainage Easement
Lot- 37

10' Texas Grand Ranch Property Owners Association Nature Trail Easement
Lots- 35

90' x 20 Drainage Easement
Lot 41

70' x 40' Drainage Easement
Lot 43

190' x 30' Drainage Easement
Lot 68

Variable Width Drainage Easement
Lots 62-67, 69-72

100' x 80' Drainage Easement
Lot 79

110' x 30' Drainage Easement
Lot 83

40' x 30' Drainage Easement

Lot 87, 90

50' Morgas Company Pipeline Easement
Lots 83, 84

10' x 15' PUE
Lots 161, 162, 166, 168, 170, 172, 180

40' x 40' Drainage Easement
Lot 167

60' Private Ingress Egress Easement
Lot 174-177

20' x 10' PUE
Lots 161, 162

20' x 11' 10" PUE
Lots 161, 162

20' 4" x 10' PUE
Lots 165, 166

20' 4" x 11' PUE
Lots 165, 166

20' 2" x 10' PUE
Lots 167, 168

20' 2" x 11' PUE
Lots 167, 168

21' 5" x 11' PUE
Lots 170, 171

21' 5" x 10' PUE
Lots 170, 171

20' 5" x 12' PUE
Lots 173, 174

20' 5" x 10' PUE
Lots 173, 174

19' 9" x 10' PUE

Lots 179, 180

19' 11" x 13' PUE

Lots 179, 180

Block 7

30' x 40' Drainage Easement

Lot- 3

30' x 50' Drainage Easement

Lots 32, 33

100' Private Drainage Area

Lots 5-6

Irregular Private Drainage Area

Lots 9-11

30' x 44.54' Drainage Easement

Lot 5

19' 6" x 15' PUE

Lots 6-8

20' x 10' PUE

Lots 8-11

20' x 11' PUE

Lots 8, 11, 12

Block 8

Variable Width Drainage Easement

Lot- 1

Block 9

40' x 20' Drainage Easement

Lot 1

50' x 50' Drainage Easement

Lot 2

40' x 30' Drainage Easement

Lot 7

Drainage Easement
Lots 5, 8

Block 10

100' x 90' Drainage Easement
Lot 2

80' x 30' Drainage Easement
Lot 10

150' x 40' Drainage Easement
Lot 16

40' x 40' Drainage Easement
Lot 19

50' x 40' Drainage Easement
Lot 19

Block 11

Variable Width Drainage Easement
Lots 6-14, 29-30, 32-34, 39, 42-62, 65 82-84

Drainage Easement
Lots 13, 14

140' x 60' Drainage Easement
Lot 18

130' x 30' Drainage Easement
Lot 20

40' x 20' Drainage Easement
Lots 21, 22

100' x 50' Drainage Easement
Lot 29

FEMA 100-Year Flood Plain
Lots 47-58, 61-65

50' Morgas Pipeline Easement
Lots 33-34, 42-48

20' Private Drainage Easement
Lots 65, 79-80

Block 12

50' Morgas Company Pipeline Easement
Lots 2, 3, 7-9

40' x 30' Drainage Easement
Lot 2

50' x 30' Drainage Easement
Lot 5

140' x 50' Drainage Easement
Lot 8

Private Drainage Area
Lots 14-15

Block 13

40' x 40' Private Drainage Easement
Lot 1

Irregular Private Drainage Easement
Lot 9, 10, 20

Block 14

Irregular Private Drainage Area
Lots 11-23

5' x 15' PUE
Lots 12, 13

20' x 10' PUE
Lots 11, 12

20' x 11' 7" PUE
Lot 13

Block 15

Irregular Private Drainage Area
Lots 1-21, 29-34, 42, 47-50

40' x 40' Private Drainage Area
Lots 37, 38, 42

20' x 10' PUE
Lot 29

Block 16

20' x 10' PUE
Lots 2, 3

20' x 11' PUE
Lots 2, 3

20' 3" x 10' PUE
Lots 4, 5, 6

20' 4" x 14' PUE
Lots 4-6

20' 4" x 10' PUE
Lots 4-6

20' 6" x 17' PUE
Lots 4-6

Irregular Private Drainage Area
Lots 3, 4, 36-37, 44-51, 53-54

50' Drainage Area
Lots 14, 15

100' Drainage Area
Lots 14-20, 22-23

Block 17

Irregular Private Drainage Area
Lots 1, 3-5, 8, 9, 14-16

Block 19

Private Drainage Easement
Lots 1-4

Clearing of underbrush and foot trails within the flowage easements are permitted but no vertical improvements are allowed.

Fencing is allowed along the property lines located within these easements but is limited to a four (4) strand wire fence with the provisions not to impede the flow of storm water within the drainage easements. The natural drainage channels that are located within various lots throughout the subdivision may not be altered in any way without the written consent of the Walker County Engineer.

Reservations of Rights-of-Ways and Utility Easements

Reservation of rights-of-ways and easements contained in that deed dated March 22, 1911 from Walker County Lumber Company to Thomas S. Foster, recorded in Volume 33, Page 310 of the Deed Records of Walker County, Texas.

Easement conveyed to Gulf States Utilities Company by an instrument dated February 20, 1928, recorded in Volume 61, Page 445, Deed Records of Walker County, Texas.

Easement conveyed to S.O. Cotton granting a road right-of-way 40 feet in width and about 700 feet in length, recorded in Volume 186, Page 265, Deed Records of Walker County, Texas.

Easement conveyed to County of Walker by an instrument dated May 14, 1956, recorded in Volume 153, Page 317, Deed Records of Walker County, Texas.

Easement to Gulf Coast Utilities Company and Southwestern Bell Telephone Company by instrument dated March 8, 1963 and recorded in Volume 196, Page 495, Deed Records of Walker County, Texas.

Easement for right-of-way to Moran Utilities Company dated April 30, 1971, recorded in Volume 135, Page 372 of the Deed Records of Walker County, Texas.

Easement to Southwestern Bell Telephone Company covering a 10 foot strip recorded dated July 3, 1972, recorded in Volume 249, Page 315, Deed Records of Walker County, Texas.

An unrecorded easement occupying .099 acres to Gulf States Utilities Company and Southwestern Bell Telephone Company dated June 18, 1956.

Pipeline Easement

A right of way easement to Morgas Co. exists over portions of Tracts 1, 2, 3, and 4 to construct, lay, maintain, operate, inspect, alter, repair, remove, change the size of and replace pipelines, gate valves, fittings, tieovers, markers and other appurtenances, including corrosion control equipment, for the transportation of oil, gas, petroleum products, water and any other liquids, gases or substances which can be transported through pipelines, over, through, across, and upon lands which Developer owns or in which it has an interest. The pipeline does not impact Lots in Section 1 but will impact Lots in Sections 2 3, and 4.

Sanitary Control Easement

Pursuant to Section 2.10 of the Covenants, the area designated, or in the future to be designated, as "Restricted Reserve D" on the Plat is to be used as a water plant by Developer or its assigns. There is a 150 foot sanitary control easement around each well on Restricted Reserve D, as shown on the Plat. The construction and/or operation of underground petrochemical storage tanks, stock pens, feed lots, dump grounds, privies, cesspools, septic tank drain fields, drilling of improperly constructed water wells of any depth and all other construction or operation that could create an unsanitary condition within, upon or across the above described 150 foot sanitary control easement(s) is prohibited. For the purpose of the 150 foot sanitary control easement(s), improperly constructed water wells are those which do not meet the surface and subsurface construction standards for a public water supply well. Further, tile or concrete sanitary sewers, sewer appurtenances, septic tanks and storm sewers are specifically prohibited within a 50 foot radius of the deep water well(s) location in Restricted Reserve D.

PLATS, ZONING, SURVEYING, PERMITS AND ENVIRONMENT

Plats

The Subdivision plats for Sections 1 and 2 in this offering have been approved by the Walker County Commissioners Court. The Subdivision plats for Section 3, 3B, and 4A are approved by the City of Huntsville. The plat maps are recorded in the Official Public Records of Walker County in Huntsville Texas. Some of the Lots located in Section 3A, Section 3B, and Section 4A of the Subdivision are in the City of Huntsville Extra Territorial Jurisdiction ("ETJ") and are subject to future annexation by the City of Huntsville. The ETJ is a specifically designated area drawn from the existing city limits, the extent of which is determined by city population. In the case of the City of Huntsville ("City"), it is two (2) miles, which encompasses the Sections 3A, 3B, and 4A. This means the City reviews and approves plats in the ETJ in accordance with the Interlocal Agreement with the County. Property that is inside the ETJ is subject to an Interlocal

Agreement between Walker County and the City. The Interlocal Agreement between Walker and Huntsville allows the City to review and approve the plats. The ETJ also allows the City to annex the property into the City limits, increasing the size of the City. There is a formal process for annexation which may be protested by the affected residents. The City must then also provide specific services as required by the Annexation statute. If the property is annexed into the City the residents would pay an additional City property tax.

Zoning

Walker County does not have any specific zoning ordinance applicable to the lots in this subdivision. As specified in the Restrictive Covenants section above, the lots in the Subdivision are restricted to single-family residential use only. You should carefully read the Restrictive Covenants section for construction and use requirements.

Surveying

All Lots will be surveyed and marked for identification by us at our expense before closing. You will not bear any of the cost of the Subdivision survey or staking.

Lenders may require an individual survey prior to making a loan. Individual surveys are made at your expense and the estimated expense for a typical Lot ranges from \$300.00 to \$500.00. These fees are not set by the Developer and are subject to change.

Permits

The fees listed in the following section are not set by the Developer and are subject to change. Building permits are not required from Walker County. However, before any construction on your lot can begin, you must receive written approval of building plans from the Committee under the recorded Covenants. The current fee charged by the Committee is \$500.00 per review for lots closing on or before October 30, 2015 and \$1,000.00 for lots closing after October 30, 2015. An outside company, Precision Inspections, PLLC accepts and approves all ARC applications. Please contact them at: rick@precisioninspectionspllc.com.

Properties located in the City of Huntsville ETJ must also obtain a Development Permit from the City.

Development Permits and On-Site Sewage Facility Permits will be required by Walker County. To apply for the permits, your Lot will need a valid 911 address; this requires you to place a wooden stake provided by Walker County onto your Lot. You will need to provide Walker County with a copy of your recorded Special Warranty Deed with the volume and page numbers stamped on it. You will need to provide photo identification as only a property owner named on the deed may apply for the permits. You must provide

a site drawing of the property showing the location of the proposed development and must contain labeling of the road(s), direction of North on the property, and two perpendicular measurements (in feet, to scale) where the improvements will be located on the property. You must provide a floor plan of the proposed structure. If the proposed development takes place in the City of Huntsville, You must obtain a certificate of compliance from the City. The chart below lists the fees necessary for the permits. These fees are not set or controlled by the Developer and are subject to change.

<u>Development Permit Fees</u>	
Single Family Residential	\$100.00
Commercial/Industrial/Multi-family	\$100.00 + 5 cents per square foot of development
	1.5 cents per square foot of paving, parking area
<u>On-Site Sewage Facility Permit Fees</u>	
Single Family Residential	\$210.00
Commercial/Multi-family	\$510.00 + 25 cents per gallon for designs above 500 gallons
<ul style="list-style-type: none"> For aerobic on-site sewage systems an Affidavit to the Public is required to be filed with the County Clerk which states that the aerobic system will have a continual maintenance contract as required by State Law. This affidavit costs \$26.00. 	

Your Lot's soil must be tested prior to the issuance of a permit for on-site sewage systems to determine whether the system will function on the individual lot at a cost of approximately \$150.00. The estimated cost for designing an on-site sewage system for your Lot is approximately \$350.00. These costs are only estimates, are not controlled by the Developer and are subject to change at any time.

When you request water service, the water company may charge you a \$50.00 deposit and a \$810.00 tap fee for a 5/8" or 3/4" meter.

All home foundations are required to be engineered and designed by a qualified licensed engineer and based upon appropriate soil information as recommended by such engineer; at a minimum soils borings and soils reports by a qualified soils engineer are required for all construction in the subdivision.

The preceding permit fees are not set by the Developer and can change at any time. The foregoing is not meant to be an exhaustive list of all permits that may be required to build your home and/or make improvements to your Lot. There are numerous permits required for various activities to be conducted on a Lot and various permits required in addition to an initial building permit for various portions of the building process depending on what improvements may be contemplated. Additional permits may be required depending upon where your Lot is located, whether or not there are legal requirements imposed upon any or all of the Lots in the Subdivision. Depending upon

such factors, special construction techniques may also be required to build a particular type of house in a particular location. Additionally, the requirements for permits may change at any time for any of a number of reasons. As such, the requirements that may be in place today may not be the same requirements that will be in place if you choose to build something on your Lot in the future. We can make no assurances that the requirements for building a home on your Lot will not change and/or that the costs associated with compliance with any such future requirements may be significant.

Environment

Several environmental reports that consider the possible impact on the Subdivision have been completed. The first of these reports is a June 16, 2014 “Preliminary Threatened and Endangered Species Habitat Assessment Report” by prepared by SMC Consulting, Inc. (“SMC”). SMC performed a preliminary resource review of the Subdivision. Although the Red-cockaded Woodpecker, a species included in the Threatened and Endangered Species list, was found to be present in the Subdivision, SMC concluded it was unlikely that the woodpecker would utilize any portions of the Subdivision as its primary nesting and/or foraging site.

A second report titled, “Preliminary Wetlands / Waters of the US Evaluation” report dated June 19, 2014 and also prepared by SMC sought to ascertain the current jurisdictional status of the physical features of the Subdivision. SMC’s preliminary review concluded that the vast majority of the Subdivision’s physical features do not exhibit the necessary features to qualify as a “Water of the U.S., or a Wetland.” According to SMC, the Subdivision’s features are largely outside the jurisdictional control of the U.S. Army Corps of Engineers (“USACE”). Nevertheless, for the approximately 5-10% of the Subdivision that is located in historic drainage pathways, any construction will require permits to be obtained from USACE.

A final study, prepared on June 27, 2014 and titled, “Phase I Environmental Site Assessment” was prepared by CRG Texas, LLC (“CRG”) to determine, to the extent possible, any environmental conditions affecting the Subdivision. There are no known environmental conditions adversely impacting the Subdivision. The CRG study did not detect the presence of hazardous materials and concluded that the subject tracts where the Subdivision is being developed have historically been used for timber production and hunting.

Copies of the foregoing reports are available from the Developer upon written request. Purchasers will be responsible for any copying, mailing, or shipping charges associated with transmission of the foregoing reports.

ROADS

ACCESS TO THE SUBDIVISION

Access to the subdivision is provided by FM 1374, a State two-lane asphalt road with twenty-four foot wearing surfaces. This is a public road maintained by the Texas Department of Transportation through public funds. You will not be assessed for the maintenance costs incurred for these roads. We are not aware of any proposed improvements to these roads.

ACCESS WITHIN THE SUBDIVISION

The roads within the Subdivision will be located on easements which will be dedicated to Walker County for public use within one year of completion. We are responsible for the construction of all interior roads at our sole expense. No portion of the construction costs will be borne by you.

<u>Section</u>	<u>Estimated Start Date</u>	<u>Percentage Complete</u>	<u>Current Surface</u>	<u>Estimated Completion Date</u>	<u>Final Surface</u>
Section 1	11/14	100%	Stabilized Sub Base with TXDOT Standard Rock Base	Now Available	Two Course Chip Seal
Section 2	11/15	75%	Stabilized Sub Base with rock base	6/17	Two Course Chip Seal
Section 3A	4/16	75%	Stabilized Sub Base with rock base	6/17	Two Course Chip Seal
Section 3B	7/16	75%	Unstabilized Sub Base with rock base	9/17	Two Course Chip Seal
Section 4A	2/17	0%	Unstabilized Sub Base	6/18	Two Course Chip Seal

The Developer is responsible for the completion of interior roads. Purchaser will bear no cost of completion for the interior roads. . Financial assurances for the completion of the interior roads in Section 2 have been posted in the form of a Letter of Credit dated November 10, 2015 in the amount of \$500,000. Financial Assurances in the form of a

Letter of Credit Performance Bond for the completion of the interior roads in Section 3A have been posted with the City of Huntsville in the amount of \$1,096,672 dated April 7, 2016. Financial Assurances in the form of a Performance Bond for the completion of the interior roads in Section 3B have been posted with the City of Huntsville in the amount of \$2,274,099 dated June 23, 2016. Financial Assurances in the form of a performance bond for the completion of the interior roads in Section 4A is posted with the City of Huntsville in the amount of \$2,448,022.60

Upon completion, all interior roads will be two lanes and constructed according to Walker County’s requirements for the subdivision as follows: Arterial roads will be built with a 26’ wide base, and a 22’ double chip seal surface. Non-arterial roads will be built with at least a 24’ base and a 20’ chip seal surface. The Developer will not lay final chip and seal on the roads until after the electrical lines and water lines are complete. The sub base is currently stabilized, Stabilization is required prior to placement of base.

When complete, the roads will provide year-round access to all lots in the subdivision by conventional passenger vehicle.

The Association will be responsible for maintaining the roads until construction of all roads are complete and the roads are accepted by Walker County for maintenance (approximately one year from date of completion). During the interim period before acceptance by Walker County the Association will use funds gathered from the collection of assessments to maintain the interior roads.

The table below identifies the distance from the center of the Subdivision to nearby communities:

NEARBY COMMUNITIES	APPROXIMATE POPULATION	DISTANCE OVER PAVED ROADS	DISTANCE OVER UNPAVED ROADS	TOTAL
Huntsville*	39,000	15	0	15
New Waverly	1,100	7	0	7
Conroe	61,900	24	0	24
Houston	2,227,676	64	0	64
Austin	885,400	157	0	157
Dallas	1,257,800	195	0	195

*County Seat

UTILITIES

Here we will discuss the availability and cost of basic utilities. The areas covered will be water, sewage disposal, electricity, telephone, and fuel or other energy sources.

WATER – CENTRAL SYSTEM

The Subdivision will be served by a central water system. Permits have been obtained for the central water system. You will not be permitted to use an individual well for a water system on your Lot. The water supply system will be constructed by Quadvest, L.P. (“Quadvest”) Water and Sewer Utility, 26926 FM 2978, Magnolia, Texas 77354 (PO Box 409, Tomball, Texas 77377), (281)356-5347. Quadvest is regulated by the Texas Commission on Environmental Quality (“TCEQ”) and the Public Utility Commission of Texas (PUC) and will supply, administer and maintain the water system. The water supply will consist of the water plant which will provide water service to the Subdivision. The Developer has entered into a contract with Quadvest to ensure the completion of the water plant facilities to the Subdivision. The Quadvest water plant will initially be designed and have capacity for all Lots in Section 1. As additional sections are added to the Subdivision, water plant facilities will be expanded to cover all Lots in any additional sections.

A hydrological survey was done in November 2013 to determine the sufficiency and purity of groundwater for the Lots in Section 1 of the Subdivision. A portion of the water plant facilities have been completed at the time of this report. Construction of the central plant commenced in January of 2015 and is now complete.

Certain Lots in future Sections of the Subdivision may be serviced by the City of Huntsville, Texas. As those Lots are platted and added to this Property Report information concerning such service will be incorporated in this section.

We are responsible for the complete installation of the water lines throughout the Subdivision in front of or adjacent to each Lot along with costs associated with such construction and installation. We have not completed the installation of the water lines in Section 4A of the Subdivision at this time. The current status of the water lines for the Subdivision is set forth in the chart below:

<u>Water Distribution Lines</u>			
<u>Section</u>	<u>Estimated Start Date</u>	<u>Percentage Complete</u>	<u>Estimated Completion Date</u>
Section 1	4/15	100%	Now Available
Section 2	2/16	100%	Now Available
Section 3A	7/16	100%	Now Available
Section 3B	10/16	100%	Now Available

Section 4A	4/17	0%	8/17
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Water Supply (Water Plant)			
<u>Section</u>	<u>Estimated Start Date</u>	<u>Percentage Complete</u>	<u>Estimated Completion Date</u>
Sections 1, 2, 3, and 4A	11/15	100%	Now Available

<p>NO FUNDS HAVE BEEN SET ASIDE IN AN ESCROW OR TRUST ACCOUNT AND THERE ARE NO OTHER FINANCIAL ARRANGEMENTS TO ASSURE COMPLETION OF THE WATER DISTRIBUTION LINES IN SECTION 4A OF THE SUBDIVISION.</p>
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The quality of the water supply will meet or exceed all state and local water quality standards. The purity and chemical content of the water will be tested at the time the well is completed and will meet all the requirements of the TCEQ, and will continue to be tested at regular intervals as required by applicable law. The water system will meet all the standards set for a public water supply system by the Texas State Department of Health, TCEQ and PUC.

The system will be regulated by restrictions of record and by the TCEQ and PUC on a regular basis. Recent tests of water wells near the site show good water levels and good water quality.

Once the water lines to your Lot are complete you may request water service from Quadvest. Also, the Committee must approve your building plans before water will be connected to your Lot. The connection from the main lines to your lot will be at your expense.

When you request water service, the water company will charge you a \$50.00 deposit and a \$810.00 tap fee for a 5/8" or 3/4" meter. The monthly base charge for a 5/8" or 3/4" meter is currently \$28.75. Monthly water usage is charged at a rate of \$1.75 per 1,000 gallons for the first 10,000 gallons; \$2.00 per 1,000 gallons from 11,000 to 20,000 gallons; \$2.25 per 1000 gallons from 21,000 to 30,000 gallons; and 2.93 per 1,000 gallons thereafter. There will be additional governmental pass thru fees which will apply, based on the current public water requirements. The connection and user fees the water company may charge you are regulated by the PUC. If a larger meter is required (1" – 6"), the monthly minimum charges will increase based on the rates set forth by the PUC. The Developer does not set any fees or service charges and has no control over their future increase. You should address inquiries to the water company about the increased costs.

SEWER – INDIVIDUAL SYSTEMS

Individual on-site sewage systems will be used (i.e., aerobic systems) utilizing Walker County OSSF Regulations). The disposal plan must be designed by a licensed engineer or registered sanitarian. Before an on-site sewage disposal system is constructed a permit must be obtained from Walker County Permitting Department. Permits are approximately \$210.00 plus \$16.00 for filing an affidavit. The soil must be tested on the lot prior to the issuance of a permit to see if the system will function on the individual lot at a cost of approximately \$150.00. The estimated cost of the design for a lot is \$350.00.

Three types of aerobic systems are recommended. For a 2,100 square foot house with 3 bedrooms and 2 baths the current estimated cost of the on-site system is as follows:

- a) Aerobic treatment with drip irrigation system ranges from \$12,000.00 - \$15,000.00. This system requires a signed maintenance contract with a licensed operator for maintenance three (3) times per year at an annual cost of \$200.
- b) Aerobic treatment with aerobic spray system is approximately \$7,500.00 and requires a signed maintenance contract with a licensed operator for maintenance three (3) times per year at an annual cost of \$200.
- c) Aerobic treatment with low pressure dosing system ranges from \$10,000.00 - \$12,000.00 and requires no annual inspection.

THERE ARE NO ASSURANCES THAT EACH INDIVIDUAL LOT WILL BE SUITABLE FOR THE CONSTRUCTION OF AN ON-SITE SEWAGE DISPOSAL SYSTEM. THERE IS NO PROVISION IN THE SALES CONTRACT FOR A REFUND OR EXCHANGE IF A PERMIT CANNOT BE OBTAINED.

If no permit can be obtained for the installation and use of an individual on-site system, there may be an adverse effect to the purchaser such as the unavailability of construction or permanent financing. The developer has no knowledge of any permits that have not been granted and to the best of its knowledge there have been no permits for the above recommended systems that have been denied because of unsatisfactory percolation tests in the subdivision. The Developer bears no responsibility for the adverse effects that may come with the denial of an on-site sewer system permit.

ELECTRICITY

Mid-South Electric Cooperative Association, DBA Mid-South Synergy (“Synergy”), 7625 Hwy 6, P.O. Box 970, Navasota, TX 77868, (936) 825-5100, has agreed to supply electrical service to all Lots in Section 1, Section 3A, Section 3B, and select Lots in Section 2 by constructing overhead primary lines (14.4/24.9kV) to the front of all Lots. Lots in Section 2 that are not serviced by Synergy will be serviced by Entergy (“Entergy”) P.O. Box 8104, Baton Rouge, LA, 70891, 1-800-968-8243.

<u>Lots Serviced by Mid-South</u>	<u>Lots Serviced by Entergy</u>
Section 1: All Lots	
Section 2: Balance of Lots not Serviced by Entergy	Section 2: Block 6: Lot 41 Block 7: Lots 28-34 Block 10: Lots 1-5
Section 3A: All Lots	
Section 3B: All Lots	
Section 4A: Block 6: Lots 181-191 Block 7: Lots 29-37 Block 11: Lots 48-84 Block 16: Lots 20-54 Block 17: Lots 1-7	Section 4A: Block 6: Lots 89-102 Block 11: Lots 30-47 Block 12: Lots 9-15 Block 17: Lots 8-9 Block 18: Lots 1-2 Block 19: Lots 1-8

The availability date for electric will depend on the provider. It is anticipated lots serviced by Synergy will have electric available by September 2017. It is anticipated that Lots serviced by Entergy will have electricity within two years from the PUC's confirmation of Entergy's service area. Developer expects that Section 2 Lots serviced by Entergy should have electricity available by September 2017. Electric Right of Way provisions for Entergy have not yet been completed. Developer has obtained ability to serve letters from Mid-South for Section 3A. Developer has obtained ability to serve letters from Mid-South and Entergy for Section 4A.

<u>Section</u>	<u>Estimated Start Date</u>	<u>Percentage Complete</u>	<u>Estimated Completion Date</u>
Section 1	10/15	100%	Now Available
Section 2	5/16	0%	9/17
Section 3A	9/16	100%	Now Available
Section 3B	12/16	40%	5/17
Section 4A	8/17	0%	1/18

NO FUNDS HAVE BEEN SET ASIDE IN AN ESCROW OR TRUST ACCOUNT AND THERE ARE NO OTHER FINANCIAL ARRANGEMENTS TO ASSURE COMPLETION OF THE ELECTRICAL LINES IN SECTION 2, OR SECTION 4A OF THE SUBDIVISION. YOU WILL BE RESPONSIBLE TO MAINTAIN THE LINES FROM THE METER BOX TO YOUR HOUSE INCLUDING THE METER BOX/CAN. MID-SOUTH SYNERGY WILL PROVIDE THE APPROPRIATE METER BOX/CAN FOR THE INITIAL INSTALLATION OF EACH METER REQUESTED.

We will pay 75% of all costs of construction and Mid South Synergy will pay 25% of the cost. You are responsible for any costs to extend primary and/or secondary lines from the road to your house. Extension into your Lot and voltage transformation is to be handled by line extension policy and will be your obligation. The Public Utility Commission of Texas regulates the territory boundaries for Mid South Synergy and Entergy. Mid South Synergy's policy on line extensions is currently that each Cooperative Member with a new metered location is allowed up to a \$1,500.00 credit toward the cost of service for meter installation. The cost to install electric lines to your home from the road will depend upon the distance from the road and the size of your home. Current costs for line extension is approximately \$15.00 per foot plus voltage transformation which is approximately \$2,000-\$3,500. These costs are only an estimate and are subject to change. These costs are not set or controlled by the Developer. With proper coordination and placement extension cost and transformation cost can be shared between Lots and/or members.

Once the electricity is placed in front of your lot, it will be your responsibility to contact Synergy and to pay for the cost to extend the electricity from the road to your house.

TELEPHONE

AT&T has agreed to provide telecommunication services to the Subdivision. It will be your responsibility to contact AT&T, 7602 Spring Cypress Road, Room 226, Spring, TX 77379, (281) 379-7505, to coordinate hookup of their services to your home. There may be hook-up fees charged by AT&T. These fees are subject to change and are not set or controlled by the developer. Normal service charges will apply to those wishing to use AT&T. If the dwelling is built over 1000 feet from the nearest serving terminal, a tariff of approximately \$100.00 per 500 feet after the first 1000 feet of drop wire to the house will apply.

NO FUNDS HAVE BEEN SET ASIDE IN AN ESCROW OR TRUST ACCOUNT AND THERE ARE NO OTHER FINANCIAL ARRANGEMENTS TO ASSURE COMPLETION OF THE TELEPHONE LINES IN SECTION 1, SECTION 2, SECTION 3A, SECTION 3B, OR SECTION 4A OF THE SUBDIVISION.

You may also obtain telephone service to your residence in the subdivision by subscribing to one of the national wireless or satellite television providers. It will be your responsibility to contact providers to determine the feasibility and cost of service.

Telephone service may also be available through other service providers using technologies such as voice over Internet protocol ("VOIP"). Availability is subject to change from time to time.

FUEL OR OTHER ENERGY SOURCE

Natural Gas will not be available for use by Lots in the Subdivision. Propane may be used in the Subdivision, however, you will be responsible for acquiring a tank, supply, any necessary permits and set up from a third party source.

FINANCIAL INFORMATION

Copies of our audited financial statements for the period ending December 31, 2015 are available from us upon request.

LOCAL SERVICES

In this section we will identify the availability of fire and police protection and the location of schools, medical facilities, shopping facilities, and mail service.

FIRE PROTECTION

Fire protection on a year-round basis is provided by the New Waverly Fire Department and ESD (936) 344-6911, 411 FM 1375 Rd E, New Waverly, TX 77358. Costs to purchasers are included in their property taxes.

POLICE PROTECTION

Police protection is provided by the Walker County Sheriff's Department, 717 FM 2821 West, Huntsville, TX 77320, (936) 435-2400.

SCHOOLS

All of the Lots within the subdivision, are located within the Huntsville Independent School District (Huntsville IDS, 441 FM 2821 E. Huntsville, TX 77320, (936) 435-6300. The Huntsville IDS schools are located in the City of Huntsville, approximately 15 miles from the subdivision, as follows:

Estella Stewart Elementary
Grades K – 4
3400 Boettcher Dr.
Huntsville, TX 77340

Scott Johnson Elementary
Grades K- 4
603 HWY 190 E
Huntsville, TX 77340

Samuel W. Houston Elementary
Grades K-4
1641 7th Street
Huntsville, TX 77320

Huntsville Elementary
Grades K-4
87 Martin Luther King Dr.
Huntsville, TX 77320

Huntsville Intermediate
Grades 5 & 6
431 HWY 190 E.
Huntsville, TX 77340

Mance Park Middle School
Grades 7 & 8
1010 8th Street
Huntsville, TX 77320

Huntsville High School
Grades 9-12
515 FM 2821 E.
Huntsville, TX 77320

School bus transportation for Huntsville IDS schools will be available to the subdivision.

Sam Houston State University, is located in Huntsville, Texas, approximately 15 miles from the subdivision. The University has a student population of over 19,000 students and offers graduate, professional, and baccalaureate degrees, as well as professional and graduate certificates

HOSPITALS

The Huntsville Memorial Hospital is located at 110 Memorial Hospital Drive, Huntsville, TX 77340, (936) 291-3411, approximately 15 miles from the subdivision. Physicians ER Huntsville, is located at 540 I-45 S., Huntsville, TX (936) 439-5292, and HMH Medical Clinic is also located in Huntsville at 125 Medical Park Lane, Suite C, (936)291-3219. Ambulance service is available by dialing 911 which will dispatch the appropriate ambulance provider.

Other hospitals/medical centers within a 50 mile range of the subdivision are: Conroe Regional Medical Center and Conroe Urgent Care Clinic located approximately 25 miles from the subdivision.

PHYSICIANS AND DENTISTS

The nearest doctor's and dentists' offices are located in Huntsville, Texas, approximately 15 miles from the subdivision. These include a variety of medical and dental practices providing a wide range of services.

SHOPPING FACILITIES

There are no shopping and service facilities located within the subdivision. The nearest shopping facility is located at 9309 State Hwy 75 S, in New Waverly, Texas, approximately 7 miles from the subdivision. There are also numerous shopping facilities located in Huntsville, Texas, approximately 15 miles from the subdivision.

MAIL SERVICE

The U. S. Postal Service delivers rural mail to a conveniently located subdivision mailbox location. The nearest U. S. Post Office is located in New Waverly, Texas, which is approximately seven (7) miles from the subdivision.

PUBLIC TRANSPORTATION

Public transportation is not available from the subdivision to nearby municipalities. The closest public transportation is located in Huntsville, approximately 15 miles from the subdivision, including the Bruce Brothers Huntsville Regional Airport. Other airports include the Flying Hare Airport, and the Lone Star Executive Airport (aka; Montgomery County Airport) located in Conroe (approximately 25 miles from the subdivision, and

various commercial flights are available in Houston, at both the Bush Intercontinental Airport and William Hobby Airport, approximately 65 miles from the subdivision.

RECREATIONAL FACILITIES

The Subdivision will have a common open space or “park” areas and hiking trails, owned by the I Texas Grand Ranch Property Owners Association but no facility construction is planned at this time. Any necessary maintenance will be provided by the Association, with costs being included in purchaser’s Annual Assessments. The costs for access to the amenities shall be a common expense of each Association. Developer currently plans to construct the facilities listed in the chart below; however our plans have not been finalized and are subject to change. Furthermore, Developer is not contractually obligated to complete these facilities.

Facility	Percentage of Construction Now Complete	Estimated Date of Start of Construction (month/year)	Estimated Date Available for Use (month/year)
Park Area	85%	8/15	06/17
Hiking Trail	95%	8/15	06/17

The estimated starting date and service availability date may be changed at any time for any reason in the Developer’s sole and absolute discretion. The Developer shall have no liability to any purchaser for failure to complete such improvements as of any specific dates and such dates may be impacted by market factors, permitting, home construction, County requirements or other circumstances or events within and outside the control of the Developer.

THE DEVELOPER IS NOT CONTRACTUALLY OBLIGATED TO COMPLETE THE RECREATIONAL FACILITIES AND NO ASSURANCES EXIST TO ENSURE COMPLETION. PURCHASERS SHOULD CAREFULLY CONSIDER THE PURCHASE IF IT IS BASED ON THE ASSUMPTION THAT THE RECREATIONAL FACILITIES WILL BE COMPLETED.

Constructing the Facilities

Developer will be responsible for constructing the recreational facilities listed above. The Developer is under no obligation to construct any of these facilities. You will not bear any costs in connection with this construction.

Maintaining the Facilities

If constructed, Association will be responsible for the maintenance of the above listed recreational facilities.

Transfer of the Facilities

We will transfer the recreational facilities to the Association at such time as one hundred percent (100%) or more of all sections of the Subdivision are conveyed by Developer ("Transition Date") or upon the Developer's written notice to the Association that Developer is terminating control of the Association. The Association shall accept title to a portion or all of the Common Areas or other real property, including any improvements thereon and personal property transferred to the Association by Developer, and equipment related thereto, together with the responsibility to perform and all administrative functions and recreation functions associated therewith provided that such property and the functions are not inconsistent with the terms of the Declaration. Any property or interest in property transferred to the Association by Developer shall, except to the extent otherwise specifically approved by the resolution of the Board of Directors, be transferred to the Association free and clear of all liens and mortgages. Except as otherwise specifically approved by resolution of the Board of Directors, no property or interest in property transferred to the Association by Developer shall impose upon Association any obligation to make monetary payments to Developer or any affiliate of Developer. Property transferred by Developer to the Association shall not impose any unreasonable or special burdens of ownership including management, maintenance, replacement, or operation.

Permits

Permits for the proposed Park Area and Nature Trail are not required.

Who May Use the Facilities

The common park area and trails will be open to the Subdivision's property owners and their guests.

SUBDIVISION CHARACTERISTICS AND CLIMATE

In this section we will discuss the basic terrain of the Subdivision, its climate, and any nuisances or hazards in the area.

GENERAL TOPOGRAPHY

The subdivision is located south of Huntsville and crosses FM 1374. The terrain is hilly and heavily wooded and has a distinct elevation change, with drainage pathways largely being well defined and abrupt and located in the valleys of the subdivision. The soil is generally well drained sandy soil with exception of the areas immediately adjacent to the tributaries. The elevation ranges from approximately 260 to 400 feet msl. The majority of the subdivision is covered in pine trees, with scattered oak, maple, and yaupon trees.

There are no lots in this offering with a slope of twenty percent (20%) or greater.

WATER COVERAGE

None of the Lots being offered are currently subject to water coverage.

DRAINAGE AND FILL

Some Lots may require grading and fill in the area of the building pads for home construction. The cost of any such measures will depend on the location and nature of your proposed residence and will be your responsibility. None of the lots require drainage prior to use. The cost of fill is approximately \$9.50 per cubic yard, including delivery. Developer does not control these prices and is not responsible for an increase in costs. Your total cost of any fill work depends on your lot size, elevation and other factors.

If you are concerned about such factors, you are urged to get a soils analysis and site evaluation prepared by a professional engineer prior to purchasing a Lot in the subdivision.

FLOOD PLAIN

Portions of Lots 1, 2, 3, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, and 33 of Block 1; Lot 43 of Block 2; Lots 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72 of Block 6; Lots 6, 7, 8, 9, 10, 11, 12, 13, 14, 47-58, 62-65 of Block 11 have portions located in Zone "A" The Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map,

Community Panel No. 48471C0500D, Effective August 16, 2011. Zone "A" is defined by FEMA as "100-year Flood Hazard Area (Without Base Flood Elevations Determined)". The remaining lots in the subdivision are Zone "X", areas outside the 100-year and 500-year floodplains. This does not imply that any portion of the subject tract is free of potential flood hazard. Localized flooding can occur due to natural and/or man-made influences. Flood insurance is available under the National Flood Insurance Program at the owner's expense. The annual premium depends on the value of your home and contents.

Flood insurance is available for property owners but costs vary depending upon the location, floor elevation and building zone. The estimated costs for flood insurance is currently \$400 to \$1,000 per year for \$250,000.00 of coverage. You may wish to obtain further cost information from a local insurance agent. Federal law requires mandatory purchase of flood insurance for improvements on the Lot as a prerequisite for all federally assisted mortgage financing in these designated flood hazard areas. Additionally, damage caused by conditions associated with flooding may often be the result of windblown damage. Insurance covering this and other incidents may be difficult to obtain, if available at all, and could be very expensive.

FLOODING AND SOIL EROSION

We do not have a comprehensive plan to control soil erosion. Soil erosion could result in property damage and create a possible safety and health hazard. Developer is not responsible for any damage caused by future flooding or soil erosion in the Subdivision.

NUISANCES

Grand Texas Ranch is a developing community. Noise and other factors typically associated with new home construction will continue until all of the homes in the community are built. Prospective purchasers should recognize that ongoing construction is a part of any new community.

Some of the area around the Subdivision is currently rural in nature and there may be certain agricultural operations that Purchaser may, depending upon Purchaser's sensitivity, find to be an inconvenience or a nuisance. Agricultural operations have certain rights under State and local law. Farmers sometimes use raw manure, chemical fertilizers, herbicides, insecticides and rodenticides, which at times may be offensive to some people. Similarly, horses and chickens, along with certain livestock raised for FFA or 4-H school sponsored programs, may be kept in the subdivision. Consequently, odors associated with farm animals may, on occasion, be detected in the Subdivision to varying degrees. Purchaser is advised to familiarize themselves with the area surrounding the subdivision to ensure that Purchaser is satisfied with all its agricultural and other uses.

As a result of the forested spaces surrounding the Subdivision, Purchaser may periodically find wild animals within the confines of the Subdivision including, but not limited to, opossums, deer, wild hogs, raccoons, spiders, snakes, bees, fire ants, and other insects common to the area. Contact with any wild animal can be dangerous. Should Purchaser encounter such an animal, Purchaser is encouraged to contact the local animal control office for further instructions.

Purchasers are urged to make an on-the-Lot inspection prior to purchase to determine if there are any other factors associated with their Lot that may impact its desirability to them. The location of adjacent properties not a part of the Subdivision may impact the desirability of certain lots as the uses of such property cannot be known by the developer. The construction of properties in accordance with the allowed uses of adjacent properties may result in a use on such properties that could be considered a nuisance to some.

Additionally, indigenous plants, insects and wildlife and other naturally occurring conditions could be considered a nuisance by some purchasers of property in the subdivision. While the Developer is unaware of any existing conditions on the property that it considers a nuisance, a purchaser should make a personal on-the-Lot inspection of the property being purchased and the surrounding area to determine any relevant information that may be available. Furthermore, conditions change and the Developer cannot and does not warrant that the condition of the property will remain the same.

HAZARDS

There is a large amount of new construction and development in the area surrounding the Subdivision. Some of these may be considered hazardous and may result in hazardous materials being brought into the area and hazardous conditions. The Developer is unaware of any other hazards associated with the location of the Subdivision. The Developer is not aware of any other hazards affecting the property.

The area where the subdivision is located has been officially identified by federal, state or local agencies as being subject to numerous occurrences of natural disasters. The Federal Emergency Management Agency (“FEMA”) publishes multi-hazard advisory maps.

In addition, the State of Texas publishes the Texas State Hazard Mitigation Plan, which includes Walker County, Texas. The ratings are based on statistical data of the following factors

- Historical probability (frequency)
- Vulnerability (percentage of people affected)
- Severity of impact (injuries, fatalities and damages to property)
- Population
- Projected population growth

Ratings of the above-described factors are added together to determine an overall risk factor scale shown below.

- Low
- Guarded
- Medium
- High
- Severe

According to the above-listed agencies, the combined most common natural hazards are assigned a hazard rating listed in the chart below. Additional detailed information and lesser likely hazards are listed online at FEMA.gov.

HAZARD	RATING
Flood	high
Hurricanes	medium
Earthquakes	guarded
Outdoor Fires	high
Tornados	high
Extreme Cold	Low
Hail	high
Severe Storms	high
Drought	high
Extreme Heat	high
Wind Storms	high

A copy of the Texas State Hazard Mitigation Plan is available from the Texas Department of Public Safety online at www.thmp.info/.

CLIMATE

The average temperatures for summer and winter are contained in the table below.

	<u>HIGH</u>	<u>LOW</u>	<u>MEAN</u>
Summer	<u>87</u> degrees	<u>68</u> degrees	<u>78</u> degrees
Winter	<u>67</u> degrees	<u>47</u> degrees	<u>57</u> degrees

The average annual rainfall is approximately 49 inches and the average snowfall is less than one inch.

OCCUPANCY

As of the date of this Property Report, there are no residences constructed or occupied within the Subdivision.

ADDITIONAL INFORMATION

In this section we will discuss the following:

- I Texas Grand Ranch Property Owners Association
- Annual Real Estate Taxes
- Resale or Exchange Program
- Equal Opportunity in Lot Sales
- Listing of Lots

I Texas Grand Ranch Property Owners Association

The Property Owners' Association is known as I Texas Grand Ranch Property Owners Association, a nonprofit Texas corporation. The total number of votes in the Association shall be on the basis of one (1) vote per Owner, per Lot, except that Developer shall have ten (10) votes for each Lot owned by the Developer. The number of Lots, therefore the number of votes, may change at the Developer's will prior to the turnover date. A quorum of forty five percent (45%) of the total number of Members entitled to vote is required for all voting matters in the association. The votes may be cast in person or by proxy at a meeting or received as written mail-in votes.

Developer shall transition control of the Association at such time as one hundred percent (100%) or more of all sections of the Subdivision are conveyed by Developer or upon the Developer's written notice to the Association that Developer is terminating control of the Association. An instrument transferring control of the Association will be recorded in the official records of Walker County.

Every person or entity who is a record Owner of any Lot which is subject to the Maintenance Charge and other assessments shall be a "Member" of the Association. Ownership of the Lots shall be the sole qualification for membership. No Owner shall have more than one membership for each Lot owned by such Member. Membership may not be separated from the ownership of the Lots. No matter how many persons are recorded owners of the Lot, membership is limited to one per Lot. The initial Board of Directors shall be designated by the Developer.

Each Owner, by acceptance of a Special Warranty Deed, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agrees to pay to the Association, in advance, an annual maintenance charge and any other assessment or charges on or before February 1st of each year. The estimated current annual maintenance charge (i.e., annual dues or assessments) is \$400.00 per lot per year. The maintenance charge may be increased in accordance with the By-Laws and recorded restrictive covenants. The annual budget for the Association to be paid by the Lot owners will be determined by Developer until turnover date, thereafter the amount will be determined by the board of directors. Any increase in the maintenance charge in excess of fifteen percent (15%) from the immediate previous

year must be approved by the Members pursuant to the By-Laws. The maintenance charge and any other assessments described will not apply to the Lots owned by Developer. Prior to the turnover date, Developer may except any lot from maintenance charges and remove the exemption once the Lot is sold to a Purchaser. The maintenance charge shall be used to create a "Maintenance Fund". Any maintenance charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent (18%) per annum or (ii) the maximum rate permitted by law.

The Board of Directors, from time to time, may levy against each Lot, a special assessment for a specific amount, which shall be equal for each Lot. Any special assessment must be approved by a two-thirds (2/3) majority vote of the Members meeting a forty-five percent (45%) quorum requirement.

In order to secure the payment of the Maintenance Charge and other assessments, a vendor's lien is levied for the benefit of the Association. Lien will be reserved in the deed from the Developer to the Purchaser of each Lots. This Lien will be enforceable through appropriate judicial and non-judicial proceedings by the Association. By acceptance of the deed, Purchaser grants the Association a contractual lien on their Lot which shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Maintenance Charge and other assessments are made and which shall be foreclosed upon by judicial foreclosure or non-judicial foreclosure pursuant to the provisions of relevant Texas statutes and regulations.

The purposes for which the Association is organized are to act as a property owners' association and provide for and promote the health, safety and welfare of the members; to collect the annual maintenance charges; to administer the maintenance fund, to provide for the enforcement of recorded covenants, conditions and restrictions and to take other actions which are lawful, appropriate and in the best interest of the members. The Association provides for a Committee with control over improvements in the subdivision.

There are no functions or services which the Developer now provides at no charge for which the Association may be required to assume responsibility in the future. The current level of fees and charges provides for the capability of the Association to meet its present financial obligations, including operating costs, maintenance and repair costs and reserves for replacements, and such income should continue to be sufficient for the foreseeable future.

TAXES

After title is transferred to your Lot, you will be responsible for real property taxes assessed by Walker County. These taxes are paid to the Walker County Treasurer. The current tax rates are as followed and based on \$100.00 in appraised value of the property.

Entity	Tax Rate (per \$100.00 of appraised value)
County:	0.6157
Huntsville ISD	1.1800
County Hospital District	0.1346
Walker County ESD 2	0.1000

RESALE OR EXCHANGE PROGRAM

We have a standard realtors listing program to assist you in the sale of your lot. We do not we have a formal program that assures that you will be able to exchange your lot for another lot in the subdivision.

No signs, advertisement, billboard, or advertising structure of any kind may be erected or maintained on any Lot without prior written consent of the Committee. An exception is made for one (1) professionally made sign not more than 24" x 24" advertising a dwelling for sale or rent. Developer or any member of the Committee shall have the right to remove any unapproved sign in violation of the Covenants.

EQUAL OPPORTUNITY IN LOT SALES

We are in compliance with Title VIII of the Civil Rights Act of 1968 by not directly or indirectly discriminating on the basis of race, color, religion, sex, national origin, familial status, and handicap in any of the following general areas: Lot marketing and advertising, rendering of Lot services, and in requiring terms and conditions on Lot sales and leases.

LISTING OF LOTS

The Lots included in this offering consist of the 698 Lots described below:

Block 1: Lots 1-92
Block 2: Lots 1-43
Block 3: Lots 1-35
Block 4: Lots 1-21
Block 5: Lots 1-24
Block 6: Lots 1-102, 159-191
Block 7: Lots 1-18, 28-37
Block 8: Lot 1
Block 9: Lots 1-12
Block 10: Lots 1-19
Block 11: Lots 1-84
Block 12: Lots 1-15, 30-46
Block 13: Lots 1- 20
Block 14: Lots 1-23
Block 15: Lots 1-26, 29-50
Block 16: Lots 1-54
Block 17: Lots 1-17
Block 18: Lots 1-2
Block 19: Lots 1-8

**COST SHEET, SIGNATURE OF SENIOR EXECUTIVE OFFICER
COST SHEET**

In addition to the purchase price of your Lot, there are other expenditures which must be made. Listed below are the major costs. There may be other fees for use of the recreational facilities.

All costs are subject to change.

Sales Price of Lot/Unit

Cash Price of Lot/Unit	\$ _____	
Finance Charge	\$ _____	
Closing Fee	\$ _____	
Total		\$ _____

Estimated One-time Charges

1. Water Deposit and Meter Fee	\$810.00	_____
2. Septic System (Aerobic Spray System)	\$7,500.00	_____
3. Construction costs to extend electric	\$15.00/foot	_____
4. Architectural Review Committee	\$500.00-1,000.00	_____
5. Single Family Residential Permit	\$100.00	_____
6. Single Family Residential Sewage Permit	\$210.00	_____
7. Other (identify)		
a. _____	\$ _____	
b. _____	\$ _____	

Total of estimated sales price and one-time charges \$ _____

Estimated annual charges, exclusive of utility use fees:

Taxes	\$ _____
Dues & Assessments	\$ <u>400.00</u>

The information contained in this Property Report is an accurate description of our subdivision and development plans.

I Texas Grand Ranch, LLC

By: _____

Print Name and Title: _____

Receipt, Agent Certification and Cancellation Page

PURCHASER RECEIPT
IMPORTANT: READ CAREFULLY

Name of Subdivision: **Texas Grand Ranch**
ILSRP NUMBER: **32768-05-2015**
Date of Report: March 20, 2017

We must give you a copy of this Property Report and give you an opportunity to read it before you sign any contract or agreement. By signing this receipt, you acknowledge that you have received a copy of our Property Report.

Received By:		Date:
Address:		
City:	State:	Zip:

If any representations are made to you which are contrary to those in this report, please notify the:

Bureau of Consumer Financial Protection
1700 G Street NW
Washington, DC 20552

AGENT CERTIFICATION

I certify that I have made no representations to the person(s) receiving this Property Report which are contrary to the information contained in this Property Report.

Homesite _____ Phase _____ Section _____

Name of Salesperson _____

Signature _____ Date _____

PURCHASER CANCELLATION

If you are entitled to cancel your purchase contract, and wish to do so, you may cancel by personal notice, or in writing. If you cancel in person or by telephone, it is recommended that you immediately confirm the cancellation by certified mail. You may use the form below.

Name of Subdivision **Texas Grand Ranch**
Date of Contract _____
This will confirm that I/we wish to cancel our purchase contract.

Purchaser(s) Signature _____ Date _____

Receipt, Agent Certification and Cancellation Page

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