CHAPTER 381 ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT

As of December 31, 2014 (the "***Effective Date***") this Chapter 381 Economic Development Incentive Agreement (the "***Agreement***") is entered into between Hays County, Texas, a political subdivision of the State of Texas (the "County"), and HHS, a Texas limited liability company ("**HHS**"). The County and HHS may also be referred to collectively as the "***Parties***" or individually as a "***Party***".

PART 1. RECITALS

Section 1.01. HHS is a company that provides services to hospitals and medical facilities, including Environmental Services, Culinary and Nutrition, Patient Flow, Facilities, Clinical and Biomedical Engineering, and Linen Utilization and Laundry Management. The company currently provides a variety of services to more than three-hundred and fifty (350) hospitals.

Section 1.02. HHS proposes to relocate its headquarters and management operations from downtown Austin, Texas to Hays County, just outside of Dripping Springs in Precinct 4.

Section 1.03. The County wishes to induce HHS to relocate to Hays County, as doing so would benefit the County by creating new jobs and generating revenues for the County from the addition of improvements to real property, which is subject to ad valorem tax assessment.

Section 1.04. The County is authorized under Chapter 381 of the Texas Local Government Code ("***Chapter 381***") to offer certain economic development incentives for public purposes, including the promotion of local economic development and the stimulation of business and commercial activity in the County.

Section 1.05. The County has determined that entering into and providing economic development incentives under this Agreement will promote local economic development and stimulate business and commercial activity in the County.

Section 1.06. For the reasons stated in these Recitals and in consideration of the mutual benefits to and promises of the Parties set forth below, the Parties want to enter into this Agreement and agree to the terms and conditions set forth in this Agreement.

ARTICLE II
DEFINITIONS

Section 2.01. "***Business***" means the business activities of HHS conducted in Hays County, Texas on the Land (as defined below), including, but not limited to the management of HHS operations.

Section 2.02. "***ComplianceCompliance Payments***" means the County's payments to HHS, should HHS qualify for payment, once per year beginning in 2019 and in an amount equal to seventy-five percent (75%) of the Property Taxes generated by from the Land in each of the years 2018 through 2027.

Section 2.03. "***Job(s)***" means a permanent, full-time employment position resulting from the Project (defined below), that provides 2,000 annual full time hours of employment or equivalent, health and disability insurance, paid sick days, and annual paid vacation based on length of service and paid holidays. Any position not meeting such criteria does not qualify as a "Job" for purposes of this Agreement.

Section 2.04. "***Land***" means the real property within the jurisdictional limits of Hays County, Texas upon which the Project shall be executed. A legal description for the Land,

together with a map, plat or survey is attached as Exhibit "A" of this Agreement and incorporated herein for all purposes.

Section 2.05. "***Property Taxes***" are the County's share of the ad valorem taxes received from the Hays County Tax Assessor-Collector on the value of the Real Property Improvements on the Land. Ad valorem taxes dedicated to County's Road and Bridge Fund shall not be included in the definition of Property Taxes for the purposes of this Agreement.

Section 2.06. "***Project***" means the operation of the Business on the Land and the addition of Real Property Improvements (as defined below) and the creation of new Jobs.

Section 2.07. "***Real Property Improvements***" means an approximately 45,000 square foot building and related facilities on the Land and having an estimated value of at least $2,150,000.00 to house and support the management and administrative functions of the Business .

Section 2.10. The "***Term***" of this Agreement shall commence on the Effective Date and continue until December 31, 2027 (unless terminated sooner as provided in this Agreement), except that HHS's obligation to submit a compliance certification for the year 2027 as provided under section 7.02 and the County's obligation, if any, to complete the Compliance Payments due under this Agreement for the year 2027 shall continue subject to the limitations of this Agreement.

ARTICLE III
HHS'S OBLIGATIONS

Section 3.01. Job Creation. On or before September 1, 2018 HHS shall employ at least seventy-seven (77) persons in Jobs and keep such Jobs filled during the Term. While the titles or classification of Jobs may change, the total number of Jobs created shall be maintained

through the end of the Term and shall, on average, meet or exceed an average wage which equals an annual salary of $60,000.00. HHS agrees to ensure that no discrimination will occur in the Creation of Jobs on the basis of race, creed, color, national origin, sex or disability.

(a) Local Residency Requirement. During the Term, at least twenty-five percent (25%) of the persons employed in a Job shall maintain their primary residence within Hays County. Primary residence shall be established by such things as obtaining a homestead exemption for owner-occupied residences or designating an address as a primary residence for voting purposes.

Section 3.02. Addition of Real Property Improvements. On or before December 31, 2017, HHS shall cause the Real Property Improvements to be constructed. Completion of the Real Property Improvements shall be evidenced by a certificate of completion issued by a third party mutually agreed upon by HHS and the County.

Section 3.03. Operation of Business. HHS shall begin operation of the Business on the Land on or before January 1, 2018, and shall continuously operate, maintain and manage the Business for the duration of the Term.

Section 3.04. Compliance with Laws. In performing its obligations under this Article, HHS shall comply with all applicable laws, regulations and ordinances.

ARTICLE IV
COMPLIANCE PAYMENTS FROM THE COUNTY

Section 4.01. Compliance Payments. Subject to the requirements and limitations of this Article, other terms and conditions of this Agreement and HHS's compliance with this Agreement, the County will make Compliance Payments to HHS in the manner set forth in this Article.

Section 4.02. Ten-Year Payment Period. Provided HHS has timely completed construction of the Real Property Improvements and created at least seventy-seven (77) Jobs in accordance with Section 3.01, the County shall make an initial Compliance Payment to HHS of an amount equal to seventy-five percent (75%) of Property Taxes generated by the Business on the Land in the year 2018. Provided HHS maintains at least the number of Jobs initially created and continuously operates the Business on the Land during the Term, the County will shall make additional Compliance Payments to HHS once per year for the nine (9) years remaining in the Term.

Section 4.03. Time for Payment. Compliance Payments will be made by the County in the calendar year immediately following the full calendar year in which the Property Taxes upon which the Compliance Payment amount is based are generated. The County shall not be required to make a Compliance Payment during any applicable year unless and until:

(a) HHS has submitted all information required under this Agreement necessary to verify its compliance;

(b) the Property Taxes for the prior year are received by the County from the Hays County Tax Assessor-Collector; and

(c) funds are appropriated by the Hays County Commissioners Court for the specific purpose of making a Compliance Payment under this Agreement as part of the County's ordinary budget and appropriations approval process.

Provided the foregoing conditions have been satisfied, and HHS is otherwise in compliance with this Agreement, the County shall pay to HHS any Compliance Payments due within sixty (60) days after the last to occur of the events in subsections (a), (b) and (c) of this Section.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF HHS

As of the Effective Date, HHS represents and warrants to the County, as follows:

Section 5.01. Organization. HHS is a Texas limited liability company duly organized, validly existing and in good standing under the laws of the State of Texas and authorized to conduct business in the State of Texas. The activities that HHS proposes to carry on at the Land may lawfully be conducted by HHS.

Section 5.02. Authority. The execution, delivery and performance by HHS of this Agreement are within HHS's powers and have been duly authorized.

Section 5.03. Valid and Binding Obligation. This Agreement is the legal, valid and binding obligation of HHS, enforceable against HHS in accordance with its terms except as limited by applicable relief, liquidation, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, reorganization or similar laws affecting the rights or remedies of creditors generally, as in effect from time to time.

Section 5.04. No Defaults. HHS is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which HHS is a party or by which HHS or any of its property is bound that would have any material adverse effect on HHS's ability to perform under this Agreement.

Section 5.05. Full Disclosure. Neither this Agreement nor any schedule or exhibit attached hereto in connection with the negotiation of this Agreement contains any untrue statement of a material fact or omits to state any material fact necessary to keep the statements contained herein or therein, in the light of the circumstances in which they were made, from being misleading.

ARTICLE VI
PERSONAL LIABILITY OF PUBLIC OFFICIALS AND LIMITATIONS ON COUNTY OBLIGATIONS

Section 6.01. Personal Liability of Public Officials. No employee or elected official of the County shall be personally responsible for any liability arising under or growing out of this Agreement.

Section 6.02. Limitations on County Obligations. The Compliance Payments made and any other financial obligation of the County hereunder shall be paid solely from lawfully available funds that have been budgeted and appropriated each year during the Term by the County as provided in this Agreement. Under no circumstances shall the County's obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Consequently, notwithstanding any other provision of this Agreement, the County shall have no obligation or liability to pay any Compliance Payments or other payments unless the County budgets and appropriates funds to make such payments during the County's fiscal year in which such Compliance Payment(s) or other payments are payable under this Agreement. If the County fails to appropriate funds for a Compliance Payment, HHS may at its option terminate this Agreement effective upon written notice to the County, subject to any unpaid Compliance Payment properly due to HHS for which a lawful appropriation of funds has occurred.

Section 6.03. No Recourse. HHS shall have no recourse against the County for the County's failure to budget and appropriate funds during any fiscal year to meet the purposes and satisfy its obligations under this Agreement.

ARTICLE VII
INFORMATION

Section 7.01. Information. HHS shall, at such times and in such form as the County may reasonably request from HHS, provide information concerning the performance of HHS's obligations under this Agreement.

Section 7.02. Annual Certification Related to Jobs and Compliance With Agreement. Beginning in the year 2019 and continuing each year thereafter during the Term, HHS shall submit to the County, on or before January 30, a certified, sworn statement acceptable to the Hays County Auditor, signed by an authorized officer or employee of HHS, providing the following information:

(a) the total number of Jobs created in the preceding calendar year and cumulatively since the Effective Date;

(b) verification that at least twenty percent (25%) of persons employed in a Job maintain primary residency within Hays County; and

(c) a statement that it is in full compliance with its obligations under this Agreement or, if not in full compliance, a statement disclosing the nature of any non-compliance and any reasons therefor.

After receiving a timely submitted certified statement, the County shall have 60 calendar days to notify HHS in writing of any questions that the County may have concerning any of the information provided by HHS, and HHS shall diligently work in good faith to respond to such questions to the County's reasonable satisfaction.

Section 7.03. Review of HHS Records. HHS agrees that the County will have the right to review the business records of HHS that relate to the Project and HHS's compliance with the terms of this Agreement at any reasonable time and upon at least seven (7) days' prior notice to

HHS in order to determine compliance with this Agreement. To the extent reasonably possible, HHS shall make all such records available in electronic form or otherwise available to be accessed through the internet.

ARTICLE VIII
DEFAULT, TERMINATION AND REMEDIES

Section 8.01. Noncompliance with Jobs Obligations. If, at the end of any applicable year during the Term, HHS is not in compliance with the obligations to create and maintain Jobs, as provided in this Agreement, including compliance with the residency requirements under Section 3.01(a), the County may withhold Compliance Payments that would otherwise be due to HHS for that year. If the County elects to withhold Compliance Payments, the County will resume Compliance Payments for any subsequent years during the Term in which HHS is in compliance; however, any Compliance Payments withheld by the County for any years during which HHS is not in compliance shall be deemed forfeited by HHS and the County shall at no time be liable for later payment of such Compliance Payments.

Section 8.02. Failure to Operate Business. If HHS fails to continuously operate and carry on the Business on the Land or other location within the jurisdictional limits of Hays County until the end of the Term (subject, however, to any interruption for remodeling, repair, or an event of *force majeure* (defined below), which interruption shall not count against this operation obligation), then the County may give a notice of default under Section 8.03.

Section 8.03. Notice of Default. At any time during the Term of this Agreement that HHS is not in compliance with its obligations under this Agreement other than its obligations to create Jobs, the County may send HHS notice of such non-compliance. If such non-compliance is not cured within sixty (60) days after HHS's receipt of such notice or, if non-compliance is not

reasonably susceptible to cure within sixty (60) days, a cure is not begun within such 60-day period and thereafter continuously and diligently pursued to completion (in either event, a "***Cure***"), then the County may, at its option, terminate this Agreement or withhold Compliance Payments until such Cure occurs. Except as provided under Section 8.01, upon a Cure by HHS, the Compliance Payments shall automatically and immediately resume except, any Compliance Payments withheld by the County for any years during which HHS is not in compliance shall be deemed forfeited by HHS and the County shall at no time be liable for later payment of such Compliance Payments. Except as to circumstances arising from an event of *force majeure*, the Term shall not be extended as a result of any cure period under this section.

Section 8.04. Remedies. Upon breach of any obligation under this Agreement, in addition to any other remedies expressly set forth in this Agreement with respect to such breach, the aggrieved party shall have such remedies as are available in law or equity for breach of contract; provided, however, that no party shall be liable to any other party for incidental or consequential damages. Notwithstanding the foregoing, the County, in entering this Agreement does not waive its immunity from suit or any other limitations on its liability, contractual or otherwise, as granted by the Texas Constitution or applicable laws of the State of Texas.

Section 8.05. Offset. The County may deduct from any Compliance Payments, as an offset, any delinquent and unpaid fees, sums of money or other fees, charges or taxes assessed and owed to or for the benefit of the County.

Section 8.06. Force Majeure. An event of *force majeure* means an event beyond the reasonable control of a party obligated to perform an act or take some action under this Agreement including, but not limited to, acts of God, earthquake, fire, explosion, war, civil insurrection, acts of the public enemy, act of civil or military authority, sabotage, terrorism,

floods, lightning, hurricanes, tornadoes, severe snow storms or utility disruption, strikes, lockouts, major equipment failure or the failure of any major supplier to perform its obligations.

Section 8.07. Indemnification. The County shall not be obligated to pay any indebtedness or obligations of HHS. HHS hereby agrees to indemnify and hold the County, and the County's elected officials and employees, harmless from and against (i) any indebtedness or obligations of HHS, the Business, the Project and any improvements to the Land, or any other obligation of HHS as provided herein, and (ii) breach of any representation, warranty, covenant or agreement of HHS contained in this Agreement, without regard to any notice or cure provisions. HHS's indemnification obligation hereunder shall include payment of the County's reasonable attorneys' fees, costs and expenses with respect thereto.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Entire Agreement. This Agreement, including any exhibits hereto, contains the entire agreement between the parties with respect to the transactions contemplated herein.

Section 9.02. Amendments. This Agreement may only be amended, altered, or terminated by written instrument signed by all parties.

Section 9.03. Assignment. HHS may not assign any of its rights, or delegate or subcontract any of its duties under this Agreement, in whole or in part, without the prior written consent of the County.

Section 9.04. Waiver. No term or condition of this Agreement shall be deemed to have been waived, nor shall there be any estoppel to enforce any provision of this Agreement, except by written instrument of the party charged with such waiver or estoppel.

Section 9.05. Notices. Any notice, statement and/or communication required and/or permitted to be delivered hereunder shall be in writing and shall be mailed by first-class mail, postage prepaid, or delivered by hand, messenger, telecopy, or reputable overnight carrier, and shall be deemed delivered when received at the addresses of the parties set forth below, or at such other address furnished in writing to the other parties thereto:

HHS: HHS
Attn: Chief Financial Officer
216 East 4th Street
Austin, TX 78701
Telephone: (512) 910-8762
Facsimile: (___) ___-____

County: Hays County
111 E. San Antonio, Suite 300
San Marcos, Texas 78666
Attn: Hays County Judge
Telephone: (512) 393-2205
Facsimile: (512) 396-8416

Section 9.06. Applicable Law and Venue. This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas. Venue for any legal proceedings shall lie in State courts located in Hays County, Texas. Venue for any matters in federal court will be in the United States District Court for the Western District of Texas.

Section 9.07. Severability. In the event any provision of this Agreement is illegal, invalid, or unenforceability under the applicable present or future laws, then, and in that event, it is the intention of the Parties that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision

that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement which is legal, valid and enforceability and is a similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

Section 9.08. Third Parties. The County and HHS intend that this Agreement shall not benefit or create any right or cause of action in or on behalf of any third-party beneficiary, or any individual or entity other than the County and HHS or permitted assignees of the County and HHS, except that the indemnification and hold harmless obligations by HHS provided for in this Agreement shall inure to the benefit of the indemnitees named therein.

Section 9.09. No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the Parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either Party as an agent of the other for any purpose whatsoever. Except as otherwise specifically provided herein, neither party shall in any way assume any of the liability of the other for acts of the other or obligations of the other.

Section 9.10. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which constitute one instrument.

(SIGNATURES FOLLOW ON THE NEXT PAGE)

THIS CHAPTER 381 AGREEMENT between Hays County and HHS is HEREBY EXECUTED in duplicate originals to be effective as of the Effective Date.

HAYS COUNTY, TEXAS

By: _____
Judge Bert Cobb, M.D.
Hays County Judge

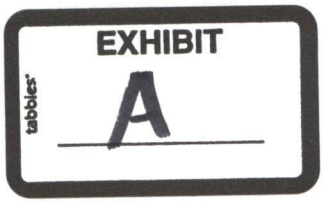
Attest: _____
Liz Q. Gonzalez
Hays County Clerk

HHS

By: _____
Chairman/CEO Joe Torry

EXHIBIT "A"

(The Land)



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

15/ITC/JJ/1415862-LAK

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
§ KNOW ALL BY THESE PRESENTS:
COUNTY OF HAYS §

That **ARROYO MESA RANCH COMPANY, LTD.**, a Texas limited partnership ("*Grantor*"), for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) cash and other good and valuable consideration paid by **HOSPITAL HOUSEKEEPING SYSTEMS, LLC**, a Texas limited liability company ("*Grantee*"), has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY, unto Grantee all of those certain tracts or parcels of land lying and situated in Hays County, Texas, described as follows:

> Being an aggregate of 124.93 acres of land situated in the CHARLES WILCOX SURVEY NO. 36, A-488, and the JOHN BARTON SURVEY NO. 80, A-70, Hays County, Texas, and being a portion of those certain tracts of land called to be 125.026 acres and 5.618 acres, described in a deed to Arroyo Mesa Ranch Company, Ltd., of record in Document No. 9926421, Official Public Records of Hays County, Texas, said 124.93 acres being more particularly described as two separate tracts by metes and bounds on Exhibit "A" attached hereto and made a part hereof for all purposes;

together with all and singular the rights, privileges, hereditaments, and appurtenances pertaining to such real property (except to the extent expressly reserved herein), and all improvements and fixtures currently attached thereto and located thereon (the "*Property*").

Notwithstanding the foregoing, there is hereby excepted from this conveyance and reserved unto Grantor, its successors and assigns forever, one-half (1/2) of any and all rights, title and interests of Grantor in and to all Minerals (as hereinafter defined) in, on, under, and that may be produced from the Property, and any and all royalties and other rights relating thereto. The term "*Minerals*" shall mean and include, without limitation, all oil, gas, coal, lignite, uranium and other minerals, ores, and other substances of any kind or nature, that now or in the future are located in whole or in part, in, on, under, and/or that may be produced from the Property. Notwithstanding the foregoing, Grantor does hereby transfer unto Grantee all executive rights relating to the Minerals.

This conveyance is made by Grantor and accepted by Grantee subject to those certain title exceptions, rights, reservations, restrictive covenants, and other matters and encumbrances

set forth herein and in Exhibit "B" attached hereto and made a part hereof for all purposes (collectively, the "*Permitted Exceptions*").

This conveyance is being made by Grantor and accepted by Grantee subject to taxes for the year 2014, the payment of which Grantee assumes, and subsequent assessments for that and prior years due to change in land usage, ownership, or both.

TO HAVE AND TO HOLD the Property, together with, all and singular, the rights and appurtenances thereto in anywise belonging, to Grantee and Grantee's heirs, executors, administrators, legal representatives, successors, and assigns forever; and subject to the Permitted Exceptions, Grantor does hereby bind Grantor and Grantor's successors and assigns to warrant and forever defend, all and singular, the Property unto the Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof by, through, or under Grantor, but not otherwise.

Grantor, for the same consideration and subject to the Permitted Exceptions, GRANTS, SELLS, AND CONVEYS to Grantee, without express or implied warranty, all of Grantor's right, title and interest in and to the strips or gores, if any, between the Property and abutting properties and land lying in or under any street, alley, road or right-of-way, opened or proposed, abutting or adjacent to the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's successors and assigns forever. ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING THOSE THAT MIGHT ARISE BY COMMON LAW AS WELL AS THE WARRANTIES IN SECTION 5.023 OF THE TEXAS PROPERTY CODE (OR ITS SUCCESSOR), ARE EXCLUDED AS TO THE PROPERTY (IF ANY) CONVEYED BY THIS PARAGRAPH.

EXCEPT FOR THE WARRANTY OF TITLE EXPRESSLY PROVIDED HEREIN AND ANY EXPRESS REPRESENTATIONS PROVIDED BY GRANTOR TO GRANTEE IN THAT CERTAIN FARM AND RANCH CONTRACT BETWEEN GRANTOR AND GRANTEE DATED EFFECTIVE JUNE 20, 2014 (AS AMENDED), GRANTOR HEREBY DISCLAIMS ANY AND ALL WARRANTIES AND REPRESENTATIONS OF ANY KIND OR NATURE WHATSOEVER RELATING TO THE PROPERTY, WHETHER EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF HABITABILITY, MERCHANTABILITY, VALUE, MARKETABILITY, CONDITION, COMPLIANCE WITH LAWS, ORDINANCES OR RESTRICTIVE COVENANTS, OR THE SUITABILITY OF THE PROPERTY FOR GRANTEE'S INTENDED USE. GRANTEE, BY ITS ACCEPTANCE AND EXECUTION HEREOF, ACKNOWLEDGES THAT GRANTEE IS PURCHASING THE PROPERTY "AS IS", "WHERE IS" AND "WITH ALL FAULTS".

Grantee's Address: 216 E. 4th Street
Austin, Texas 78701

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[SIGNATURES ON FOLLOWING PAGE]

EXECUTED to be effective the 23 day of July, 2014.

GRANTOR:

Arroyo Mesa Ranch Company, Ltd.
(a Texas limited partnership)

By: AMRC Holdings L.L.C.
(a Texas limited liability company)
Its General Partner

By: Clare Stedman
Clare Stedman, President

GRANTEE:

Hospital Housekeeping Systems, LLC
(a Texas limited liability company)

By: Tony Korman
Name: Tony Korman
Title: President

THE STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me on July 25, 2014, by Clare Stedman, President of ARMC Holdings L.L.C., a Texas limited liability company, the general partner of Arroyo Mesa Ranch Company, Ltd., a Texas limited partnership, on behalf of company and limited partnership.

Notary Public - State of Texas

JAN JAMES
MY COMMISSION EXPIRES
March 5, 2016

THE STATE OF TEXAS §
§
COUNTY OF Travis §

This instrument was acknowledged before me on July 23, 2014, by Tony Korman, President of Hospital Housekeeping Systems, LLC, a Texas limited liability company, on behalf of said limited liability company.

JAN JAMES
MY COMMISSION EXPIRES
March 5, 2016

Notary Public - State of Texas

EXHIBIT "A"

DESCRIPTION OF PROPERTY

STATE OF TEXAS
COUNTY OF HAYS

124.93 ACRES
CHARLES WILCOX SURVEY NO. 36, A-488 &
JOHN BARTON SURVEY NO. 80, A-70

FIELD NOTE DESCRIPTION

DESCRIPTION OF AN AGGREGATE OF 124.93 ACRES OF LAND SITUATED IN THE CHARLES WILCOX SURVEY NO. 36, A-488, AND THE JOHN BARTON SURVEY NO. 80, A-70, HAYS COUNTY, TEXAS, AND BEING A PORTION OF THOSE CERTAIN TRACTS OF LAND CALLED TO BE 125.026 ACRES AND 5.618 ACRES, DESCRIBED IN A DEED TO ARROYO MESA RANCH COMPANY, LTD., OF RECORD IN DOCUMENT NUMBER 9926421, OFFICIAL PUBLIC RECORDS, HAYS COUNTY, TEXAS (OPRHCT); SAID 124.93 ACRES BEING MORE PARTICULARLY DESCRIBED AS TWO SEPARATE TRACTS BY METES AND BOUNDS AS FOLLOWS:

TRACT 1: 4.75 Acres

BEGINNING at a ½ inch iron rod found on the southwest line of said 125.026 acre tract, the northeast line of a tract of land formerly called Lot 1-A, Replat of Lot One, Triple Creek Ranch, Section Three, of record in Volume 8, Pages 31-32, Plat Records, Hays County, Texas (PRHCT), subdivision subsequently cancelled by owners, Kurt Haus, Austin JSB, Ltd., and Arroyo Mesa Ranch Company Ltd., Volume 4360, Page 420, of the Official Public Records of Hays County, Texas; for the northwest corner of the herein described tract;

THENCE with the southwest line of said 125.026 acre tract and northeast line of said 5.618 acre tract, the following two (2) courses and distances:

1) S 61° 27' 49" E, 765.25 feet to a ½ inch iron rod found for angle point; and
2) S 28° 36' 06" W, 349.97 feet to 60d nail found at the northerly corner of a tract of land called to be 0.145 acres, described in a deed to Kurt T. Haus, of record in Volume 1266, Page 436, (OPRHCT), same being the southeast corner of a tract called to be 0.86 acres, described in a deed to Kurt T. Haus and Marlyse Haus, of record in Volume 4450, Page 79, (OPRHCT), and the southeast corner of said 5.618 acre tract;

THENCE crossing said 5.618 acre tract, with the northerly line of said 0.86 acre tract, the following two (2) courses:

1) N 55° 06' 28" W, 554.83 feet to a ½ inch iron rod found; and
2) N 07° 56' 57" W, 358.86 feet to the **POINT OF BEGINNING** and containing 4.75 acres within Tract 1 herein.

TRACT 2: 120.18 Acres

BEGINNING at a ½ inch iron rod found at the intersection of the south line of Fitzhugh Road, with the easterly line of Silver Creek Road, said iron rod being the northwest corner of said 125.026 acre tract, and the northwest corner of the herein described tract;

THENCE S 89° 06' 22" E, with the south line of said Fitzhugh Road, 1122.88 feet to a PK nail found at the northwest corner of Lot 47, of the Amended Plat of *Triple Creek Ranch, Section One*, of record in Volume 6, Pages 308-312, of the Plat Records of Hays County, Texas, said PK nail being the northeast corner of said 125.026 acre tract, and the northeast corner of the herein described tract;

THENCE with the east line of said 125.026 acre tract, and the west line of said *Triple Creek Ranch, Section One*, along or near a creek the following fifty-nine (59) courses:

1) S 31° 36' 14" E, 71.67 feet to a ½ inch iron rod found;
2) S 05° 01' 46" W, 154.69 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 47, same being the northwesterly corner of Lot 46;
3) S 04° 55' 59" W, 88.65 feet to a ½ inch iron rod found;

Clerk's Note: At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon of photocopy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed.

4) S 32° 50' 53" E, 69.97 feet to a ½ inch iron rod found,
5) S 62° 27' 45" E, 40.77 feet to a ½ inch iron rod found,
6) S 15° 26' 32" E, 44.24 feet to a ½ inch iron rod found,
7) S 61° 36' 01" E, 88.53 feet to a ½ inch iron rod found ,
8) S 25° 44' 22" E, 20.37 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 46, same being the northwesterly corner of Lot 45,
9) S 25° 46' 53" E, 78.52 feet to a ½ inch iron rod found,
10) S 08° 54' 43" E, 79.33 feet to a ½ inch iron rod found,
11) S 37° 16' 19" E, 31.22 feet to a ½ inch iron rod found,
12) S 18° 08' 44" W, 62.67 feet to a ½ inch iron rod found,
13) S 22° 36' 41" E, 72.43 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 45, same being the northwesterly corner of Lot 44,
14) S 38° 36' 16" E, 82.93 feet to a ½ inch iron rod found,
15) S 65° 01' 17" E, 108.54 feet to a ½ inch iron rod found,
16) S 13° 58' 48" E, 58.93 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 44, same being the northwesterly corner of Lot 43,
17) S 34° 39' 23" E, 81.39 feet to a ½ inch iron rod found,
18) S 41° 27' 41" E, 33.95 feet to a ½ inch iron rod found,
19) S 45° 52' 17" E, passing the southwesterly corner of said Lot 43, same being the northwesterly corner of Lot 42, and continuing for a total distance of 149.66 feet to a ½ inch iron rod found,
20) S 33° 04' 47" E, 52.97 feet to a ½ inch iron rod found,
21) S 48° 45' 09" E, 87.55 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 42, same being the northwesterly corner of Lot 41,
22) S 84° 22' 20" E, 76.20 feet to a ½ inch iron rod found,
23) S 56° 20' 26" E, 86.11 feet to a ½ inch iron rod found,
24) S 17° 00' 33" E, 40.34 feet to a ½ inch iron rod found,
25) S 31° 42' 36" W, 56.68 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 41, same being the northwesterly corner of Lot 40,
26) S 82° 07' 27" W, 35.26 feet to a ½ inch iron rod found,
27) S 14° 27' 02" W, 85.71 feet to a ½ inch iron rod found,
28) S 23° 08' 24" W, 80.00 feet, to a ½ inch iron rod found
29) S 02° 34' 48" E, 49.79 feet to a ½ inch iron rod found,
30) S 57° 52' 28" E, 31.96 feet to a ½ inch iron rod found,
31) S 73° 14' 45" E, 107.49 feet to a ½ inch iron rod found,
32) S 49° 36' 59" E, passing the southwesterly corner of said Lot 40, same being the northwesterly corner of Lot 39, and continuing for a total distance of 58.60 feet to a ½ inch iron rod found,
33) S 73° 42' 21" E, 144.33 feet to a calculated point,
34) S 60° 31' 08" E, 48.99 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 39, same being the northwesterly corner of Lot 38,
35) S 44° 27' 54" E, 182.53 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 38, same being the northwesterly corner of Lot 37,
36) S 37° 19' 41" E, 67.38 feet to a calculated point,
37) S 10° 22' 38" E, 47.38 feet to a ½ inch iron rod found,
38) S 30° 57' 04" E, passing the southwesterly corner of said Lot 37, same being the northwesterly corner of Lot 36, and continuing for a total distance of 191.91 feet to a ½ inch iron rod found ,
39) S 55° 33' 50" E, 43.61 feet to a ½ inch iron rod found,
40) S 79° 56' 34" E, 22.34 feet to a calculated point,
41) S 25° 18' 21" E, 47.68 feet to a ½ inch iron rod found,
42) S 41° 50' 10" E, passing the southwesterly corner of said Lot 36, same being the northwesterly corner of Lot 35, and continuing for a total distance of 150.67 feet to a ½ inch iron rod found at the southwesterly corner of said Lot 35, same being the northwesterly corner of Lot 34,
43) S 38° 08' 52" E, 122.03 feet to a calculated point,
44) S 11° 45' 07" E, 73.14 feet to a ½ inch iron rod found,
45) S49° 43' 49" E, passing the southwesterly corner of said Lot 34, same being the northwesterly corner of Lot 33, and continuing for a total distance of 132.54 feet to a ½ inch iron rod found,
46) S 33° 01' 58" E, 45.96 feet to a ½ inch iron rod found,
47) S 46° 53' 42" E, 109.85 feet to a ½ inch iron rod found,

Clerk's Note: At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon or photocopy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed.

48) S 65° 28' 24" E, passing the southwesterly corner of said Lot 33, same being the northwesterly corner of Lot 32, and continuing for a total distance of 122.97 feet to a ½ inch iron rod found,
49) S 85° 38' 45" E, passing the southwesterly corner of said Lot 32, same being the northwesterly corner of Lot 31, and continuing for a total distance of 211.44 feet to a ½ inch iron rod found,
50) S 11° 59' 53" E, 110.03 feet to a calculated point,
51) S 22° 18' 29" W, 98.74 feet to a ½ inch iron rod found,
52) S 31° 49' 38" E, passing the southwesterly corner of said Lot 31, same being the northwesterly corner of Lot 30, and continuing for a total distance of 118.59 feet to a ½ inch iron rod found,
53) S 42° 35' 32" E, 66.41 feet to a ½ inch iron rod found,
54) S 14° 10' 41" E, passing the southwesterly corner of said Lot 30, same being the northwesterly corner of Lot 29, and continuing for a total distance of 106.68 feet to a ½ inch iron rod found,
55) S 38° 28' 51" E, 65.03 feet to a calculated point,
56) S 61° 29' 54" E, passing the southeasterly corner of Lot 29 and southwesterly corner of Lot 28, 288.12 feet to a calculated angle point,
57) S 45° 28' 50" E, passing the southeasterly corner of said Lot 28, same being the southwesterly corner of Lot 27, and continuing for a total distance of 132.62 feet to a calculated angle point,
58) S 85° 32' 01" E, 63.62 feet to an angle point at the southeasterly corner of said Lot 27, same being the southwesterly corner of Lot 48, and
59) S 72° 24' 09" E, 399.14 feet to a ½ inch iron rod found at the southeasterly corner of said Lot 48, same being in the west line of a tract of land called to be 125.466 acres, described in a deed to Payne Family Partnership LTD, of record in Volume 1891, Page 702, of the Official Public Records of Hays County, Texas, said iron rod being the most easterly northeast corner of said 125.026 acre tract, and the most easterly northeast corner of the herein described tract;

THENCE with the east line of said 125.026 acre tract, and the west line of said 125.466 acre tract, the following six (6) courses:

1) S 17° 44' 59" W, 155.88 feet to a ½ inch iron rod found,
2) S 29° 01' 54" W, 186.45 feet to a ½ inch iron rod found,
3) S 03° 12' 56" E, 271.20 feet to a ½ inch iron rod found,
4) S 14° 39' 43" W, 63.68 feet to a ½ inch iron rod found,
5) S 12° 05' 16" E, 340.35 feet to an angle point, and
6) S 01° 14' 52" E, 142.46 feet to a ½ inch iron rod found at the northeasterly corner of a tract of land formerly called Lot 1-A, Replat of Lot One, Triple Creek Ranch, Section Three of record in Volume 6, Pages 31-32 of the Plat Records of Hays County, Texas, subdivision subsequently cancelled by owners, Kurt Haus, Austin JSB, Ltd., and Arroyo Mesa Ranch Company Ltd., Volume 4360, Page 420, of the Official Public Records of Hays County, Texas, said iron rod being the southeast corner of said 125.026 acre tract, and the southeast corner of the herein described tract;

THENCE N 79° 31' 50" W, with a south line of said 125.026 acre tract, and a north line of said Lot 1-A, 180.66 feet to a ½ inch iron rod found at the most southerly corner of a tract of land called to be 3.04 acres, described in a deed to Kurt T. Haus and Marlyse Haus, of record in Volume 4743, Page 535, of the Official Public Records of Hays County, Texas;

THENCE with the southerly line of the herein described tract, and the northerly line of said 3.04 acre tract, the following eleven (11) courses:

1) N 40° 26' 23" W, 78.08 feet to a ½ inch iron rod found,
2) N 01° 44' 17" E, 79.60 feet to a ½ inch iron rod found,
3) N 11° 55' 37" W, 76.00 feet to a ½ inch iron rod found,
4) N 20° 15' 11" W, 88.72 feet to a ½ inch iron rod found,
5) N 29° 53' 29" W, 44.26 feet to a ½ inch iron rod found,
6) N 39° 07' 13" W, 102.35 feet to a ½ inch iron rod found,
7) N 31° 41' 30" W, 96.24 feet to a ½ inch iron rod found,
8) N 71° 41' 10" W, 181.02 feet to a ½ inch iron rod found,
9) S 54° 55' 16" W, 85.42 feet to a ½ inch iron rod found,

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10) N 73° 28' 02" W, 115.22 feet to a wood fence post found in the easterly line of a tract of land called to be 0.145 acres, described in a deed to Kurt T. Haus, of record in Volume 1266, Page 436, of the Official Public Records of Hays County, Texas, and
11) N 18° 31' 44" W, 15.21 feet to a 60d nail found at the northerly corner of said 0.145 acre tract, same being the southeast corner of a tract called to be 0.86 acres, described in a deed to Kurt T. Haus and Marlyse Haus, of record in Volume 4450, Page 79, of the Official Public Records of Hays County, Texas, and the southeast corner of said 5.618 acre tract

THENCE with the east and north line of said 5.618 acre tract, the following two (2) courses and distances:

1) N 28° 36' 06" E, 349.97 feet to a ½ inch iron rod found, and
2) N 61° 27' 49" W, 785.25 feet to a ½ inch iron rod found in the southerly line of said 125.026 acre tract, at the northerly corner of said 0.86 acre tract and northwest corner of said 5.618 acre tract

THENCE N 61° 28' 48" W, with a southerly line of said 125.026 acre tract, and the northerly line of said Lot 1-A, passing the northwest corner of said Lot 1-A, same being the northeast corner of a 14.43 acre tract of land described in a deed to Kurt T. Haus, of record in Volume 1375, Page 133, of the Official Public Records of Hays County, Texas, and continuing for a total distance of 1330.36 feet to a ½ inch iron rod found in the east line of a tract of land called to be 30.04 acres, described in a deed to Shane Barnard, of record in Volume 2621, Page 672, of the Official Public Records of Hays County, Texas, at the northwest corner of said 14.43 acre tract, said iron rod being a southwest corner of said 125.026 acre tract, and a southwest corner of the herein described tract;

THENCE N 28° 30' 53" E, with a westerly line of said 125.026 acre tract, and an easterly line of said 30.04 acre tract, 547.60 feet to a steel fence post found at the northeast corner of said 30.04 acre tract, same being an ell corner of said 125.026 acre tract, and an ell corner of the herein described tract;

THENCE with a southerly line of said 125.026 acre tract, and the northerly line of said 30.04 acre tract, the following three (3) courses:

1) N 61° 28' 14" W, 1167.26 feet to a steel fence post found,
2) N 35° 57' 12" W, 139.38 feet to a ½ inch iron rod found, and
3) N 61° 27' 14" W, 133.42 feet to a calculated point for the most easterly corner of a tract of land called to be 1.664 acres, described in a deed to Shane Barnard, of record in Volume 2621, Page 672, of the Official Public Records of Hays County, Texas, said point being a southwesterly corner of the herein described tract;

THENCE with the northerly line of said 1.664 acre tract, along or near a new fence, the following six (6) courses:

1) N 16° 35' 00" W, 195.77 feet,
2) N 55° 44' 01" W, 116.58 feet,
3) S 75° 06' 19" W, 50.64 feet,
4) N 48° 23' 38" W, 237.86 feet,
5) N 77° 26' 19" W, 22.00 feet, and
6) S 49° 12' 33" W, 173.79 feet to a calculated point in the north line of said 30.04 acre tract, same being the south line of said 125.026 acre tract, for the southwest corner of said 1.664 acre tract, said point being a southeasterly corner of the herein described tract;

THENCE N 61° 27' 14" W, with the southerly line of said 125.026 acre tract, and the northerly line of said 30.04 acre tract, 874.92 feet to a ½ inch iron rod found in the easterly line of said Silver Creek Road, at the northwest corner of said 30.04 acre tract, said iron rod being the most westerly southwest corner of said 125.026 acre tract, and the most westerly southwest corner of the herein described tract;

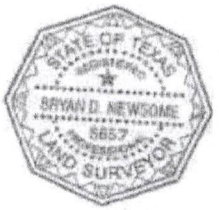
Clerk's Note: At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon of photocopy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed.

THENCE with the westerly line of said 125.026 acre tract, and the easterly line of said Silver Creek Road, the following five (5) courses

1) N 28° 46' 15" E, 149.95 feet to a ½ inch iron rod found,
2) N 28° 47' 36" E, 135.25 feet to a ½ inch iron rod found,
3) N 28° 48' 57" E, 124.78 feet to a ½ inch iron rod found,
4) N 28° 51' 00" E, 402.37 feet to a ½ inch iron rod found, and
5) N 28° 53' 48" E, 271.49 feet to the **POINT OF BEGINNING** containing 120.18 acres of land within Tract 2 herein, for an aggregate of 124.93 acres within these metes and bounds for Tract1 and Tract 2

This description is accompanied by a separate plat
Surveyed by: Staudt Surveying, Inc
P.O. Box 1273
Dripping Springs, Texas 78620
512-858-2236
Firm Reg. No. 10091700

Bryan D Newsome Fieldwork 28 March ; Title Commitment 18 June 2014
Bryan D. Newsome Registered Professional Land Surveyor No. 5857 Date



Clerk's Note: At the time of recordation this instrument was found to be inadequate for the best reproduction, because of illegibility, carbon of photocopy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed.

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EXHIBIT "B"

1. Restrictive covenants recorded in Volume 1266, Page 501, 1132, Page 154, Volume 1175, Page 893, Volume 1259, Page 126, Volume 1266, Page 466, re-recorded in Volume 1275, Page 482, and Volume 1289, Page 220, Official Public Records of Hays County, Texas (Tract 1).

2. Restrictive covenants recorded in Volume 1266, Page 466, and Volume 1275, Page 482, Official Public Records of Hays County, Texas (Tract 2).

3. Maintenance charges and/or assessments, and lien securing same, as provided for in instrument recorded in Volume 1132, Page 154, Official Public Records of Hays County, Texas (Tract 1).

4. Building setback lines as set forth in instrument recorded in Volume 1132, Page 154, Official Public Records of Hays County, Texas (Tract 1).

5. Terms, conditions, provisions, easements, restrictions, reservations and other matters set forth in instrument recorded in Volume 1132, Page 154, Official Public Records of Hays County, Texas (Tract 1).

6. Mineral and/or royalty interest described in Volume 322, Page 581, of the Deed Records of Hays County, Texas.

7. All leases, grants, exceptions and reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto appearing in the public records whether or not same is listed herein.

8. Any right, title or claim of any character by the United States, State of Texas, local government or by the public generally in and to any portion of the land lying within a current or former bed, or below the ordinary high water mark, or between the cut banks of a stream navigable in fact or in law; the rights of riparian water rights owners to the use and flow of the water; and the consequences of any past or future change in the location of the bed.

9. Matters reflected on the survey prepared by Bryan D. Newsome, RPLS No. 5657 dated July 18, 2014:

   (a) easement rights related to overhead utility lines along the north portion of Tract 2;

   (b) easement rights (if any) related to the dirt road traversing Tract 1 and Tract 2 and extending over the southeast property line of Tract 1;

   (c) any claim, right, or assertion of title by the adjoining land owner in and to that strip of land located between the southwest property line of Tract 1 and the fence.