

06-1784

STRATEGIC PARTNERSHIP AGREEMENT
between the
CITY OF HORSESHOE BAY, TEXAS
and the
LAKE LBJ MUNICIPAL UTILITY DISTRICT

002474

This Strategic Partnership Agreement between The City of Horseshoe Bay, Texas and the Lake LBJ Municipal Utility District (the "Agreement") is made and entered into by and between the LAKE LBJ MUNICIPAL UTILITY DISTRICT, a Texas municipal utility district (the "District"), acting by and through its duly authorized Board of Directors under the authority of Section 43.0751 of the Local Government Code, as amended, and Chapters 49 and 54 of the Texas Water Code, as amended; and the CITY OF HORSESHOE BAY, Type A General-Law municipal corporation (the "City"), acting by and through its duly authorized governing body.

RECITALS:

- A. The District is a municipal utility district created under Chapter 54 of the Water Code and located in Llano and Burnet Counties, Texas. Its boundaries include 5714.691 acres of land, more or less, more particularly described in the legal description and map or plat showing the District boundaries in Exhibit "A" attached to Lake LBJ Municipal Utility District Amended Information Form, as recorded in Volume 1104, Page 094 of the Official Records for Llano County, Texas and Volume 0958, Page 0717 in the Official Records of Burnet County, Texas and in Exhibit "A" attached to Lake LBJ Municipal Utility District Amended Information Form, as recorded in Volume 1235, Page 879 in the Official Records of Llano County, Texas and Volume 1200, Page 0364 in the Official Records of Burnet County, Texas.
- B. The City, a Type A General-Law municipal corporation, was incorporated on September 20, 2005, and its municipal boundaries are almost entirely within the boundaries of the District – approximately 1.6 acres within the City's boundaries and not within the District's boundaries. The remainder of the District (i.e., the portion of the District that is not within City boundaries) is comprised entirely of unincorporated real estate development area known as "The Trails" and a storage area of approximately 20 acres.
- C. The City desires to effectively annex the Trails and a storage area of approximately 20 acres and dissolve the District in due time and succeed to all of the District's powers, duties, assets, and obligations.
- D. The District and the City desire that effective, efficient, and responsible local government be provided to citizens of the District and the City prior to, during, and after the City annexes the District. To that end, the District and the City also desire to avoid any unnecessary duplication of resources and taxes, and to provide for the City's succession to all of the District's powers, duties, assets, and obligations.
- E. The intent of this Agreement is to enter into a strategic partnership agreement between the District and the City regarding (i) terms and conditions of the City's full-purpose annexation of the District in accordance with Section 43.0751 of the Local Government Code, and its succession to all of the District's powers, duties, assets, and obligations, and (ii) the District's delivery of certain services to the City prior to annexation of the District.

OFFICIAL PUBLIC RECORD
BURNET COUNTY TEXAS
11-19-05 09:55

- F. The District and the City each have provided notice of two public hearings concerning the adoption of this Agreement in accordance with the procedural requirements of Section 43.0751 of the Local Government Code.
- G. The District and the City conducted two joint public hearings regarding this Agreement in accordance with the procedural requirements of Section 43.0751 of the Local Government Code on January 3, 2006, at 2:30 p.m., at #1 Community Drive, Horseshoe Bay, Texas, and on January 24, 2006, at 2:30 p.m., at #1 Community Drive, Horseshoe Bay, Texas.
- H. The District has, by formal action after the public hearings, adopted this Agreement on January 26, 2006, in open session at a meeting held at 8:30 a.m. in accordance with the Open Meetings Act.
- I. The City has, by formal action after the public hearings, adopted this Agreement on January 26, 2006, in open session at a meeting held at 3:00 p.m. in accordance with the Open Meetings Act.
- J. All procedural requirements imposed by state law for adoption of this Agreement have been met.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants and conditions contained in this Agreement, and other good and valuable consideration, the District and the City agree as follows:

Article I.

PURPOSE

Section 1.01 Purpose of the Agreement. The purpose of this Agreement is to establish through contractual agreement (i) the terms and conditions of the City's full-purpose annexation of the District in accordance with Section 43.0751 of the Local Government Code, the dissolution of the District, and the City's succession to all of the District's powers, duties, assets, and obligations, and (ii) the District's delivery of certain services to the City prior to such annexation.

Section 1.02 Location of the District and the City. The District is a municipal utility district created under Chapter 54 of the Water Code. The territory of the District is located in Llano and Burnet Counties. The boundaries of the City are almost entirely within the boundaries of the District (approximately 1.6 acres within the City's boundaries are not within the District's boundaries), and the remainder of the District outside the boundaries of the City is comprised entirely of an unincorporated real estate development area known as "The Trails" and a storage area of approximately 20 acres.

Section 1.03 Conduct of Public Hearings. The District and the City agree that prior to the execution of this Agreement and prior to full purpose annexation pursuant to this Agreement, the District and the City have conducted public hearings for the purpose of considering the adoption of this Agreement and annexation of the District in accordance with the terms of this Agreement.

Section 1.04 Effective Date. Under the provision of Section 43.0751(c), this Agreement shall become effective on January 26, 2006, (the "Effective Date"), the date of adoption of this Agreement by the City. Upon adoption, this Agreement shall be filed by the District in the real

OFFICIAL PUBLIC RECORDS
 BURNET COUNTY, TEXAS
 1-26-06 05:56

property records of Llano and Burnet Counties, Texas. The District shall also file the following notice concerning this Agreement in the real property records of Llano and Burnet Counties for the property within the District:

All of the property within the boundaries of Lake LBJ Municipal Utility District of Llano and Burnet Counties, Texas (the "District"), as depicted on the map attached hereto, is subject to the terms and conditions of a Strategic Partnership Agreement ("Agreement") between the District and the City of Horseshoe Bay, dated January 26, 2006. The Agreement establishes terms and conditions for the contemplated full-purpose annexation of the District by the City of Horseshoe Bay and the subsequent dissolution of the District, all as authorized by Section 43.0751, Texas Local Government Code. A copy of the Agreement may be obtained by contacting the offices of the District.

This notice with appropriate modifications shall also be included in the notice to purchasers of real property in the District in each future edition of the District's Information Form required to be recorded in the real property records of Llano and Burnet Counties, Texas, pursuant to Section 49.455 of the Texas Water Code.

Article II.

SERVICES TO THE CITY

Section 2.01 Use of District Facilities.

- (a) To the extent authorized by law and to the extent the District determines reasonably practical in consideration of its obligations to continue its normal and customary work, prior to the District Annexation Date (as defined below), the District will provide the City with certain services and the use of its facilities and personnel in order for the City to maintain basic operations until such time that the City is able to provide such services, facilities, and personnel itself including, by way of example and not in limitation, the following:
- (i) The District will provide copies of all agendas and minutes of the meetings of its Board of Directors to a designated representative of the City as such agendas are posted and such minutes are approved by the District's Board of Directors.
 - (ii) The City is authorized to designate the District's offices on Community Drive, Horseshoe Bay, Texas as its municipal office.
 - (iii) The City may utilize bulletin boards in the District's offices for purposes of posting legal notices or, alternatively, may locate additional bulletin boards in the offices for such purposes.
 - (iv) The City may schedule and use the District's boardroom and education center room for council meetings, committee or commission meetings or other meetings so long as such use does not conflict with the District's usage. At a minimum, the City may have priority over scheduling either of the two rooms for the afternoons of the first and third Tuesdays of each month for council meetings.
 - (v) The District's telephone operator will take calls and messages for the City. Efforts will be made to either provide the City with its own dedicated line and phone number or new service. If this is not practical, the City may use the District's phone number

OFFICIAL PUBLIC RECORD
BURNET COUNTY, TEXAS
1406 0567

as its number, and the telephone operator will answer the phone "Lake LBJ Municipal Utility District, City of Horseshoe Bay."

- (vi) The District's receptionist will also serve as the City's receptionist, and an "In-Box" will be located at the reception area for purposes of receiving written materials addressed to the City.
 - (vii) The City may designate a District employee as City Secretary who will perform those duties usually conducted by an officer of a city so designated.
 - (viii) The District will provide the City with file space adequate for the City Secretary to maintain the files and records for the City. If additional space is required, the City and the District will work on an alternate arrangement.
 - (ix) The City shall be entitled to utilize the District's copiers.
 - (x) The City may use the District's computer system to maintain a City Web site, send and receive emails and to allow the City Secretary to perform his/her functions.
 - (xi) The City and the District will work together, predominantly using District personnel, to develop maps and plat records for use in showing their respective boundaries and areas and maintaining records of subdivision plats, roads, utility locations, lot locations and designations.
 - (xii) The District shall endeavor to identify and pursue available funds and grants of mutual interest to the District and the City.
 - (xiii) The District shall provide general engineering services for matters of mutual interest to the District and the City. To the extent an engineering matter may be outside the District's authorized budget or require additional funds not otherwise provided for, the District shall coordinate with the City to determine whether the services can be performed and possible sources of funding for the engineering matter.
- (b) All such services and facilities shall be provided by the District in accordance with District policies and procedures and under the general supervision of the District's General Manager. The City Council and the District Board shall determine any matters of mutual interest to the City and the District. The District and its General Manager and staff shall be under the ultimate direction of the District Board with respect to provision of services and facilities hereunder.

Section 2.02 Compensation. The City agrees to pay for the services being provided by the District in the amount of \$2,500 per month prior to the District Annexation Date. Payments shall accrue monthly and shall be paid in full upon the District Annexation Date or at such other time as the Parties may be subsequently agree.

Article III.

INTERIM ACTIVITIES OF THE DISTRICT

Section 3.01 Interim Services to District Customers. To avoid duplication of services to District customers and City citizens, the City and the District agree that the District shall continue to be the sole provider of water, wastewater, garbage, police, and fire services in the

OFFICIAL PUBLIC RECORD
BURNET COUNTY, TEXAS
14050568

District and to out-of-District service areas, as applicable, prior to the District Annexation Date. Notwithstanding, the City may perform in the District any other municipal functions in which the District is not engaged.

Section 3.02 Consent to Major Contracts and Activities. The District shall obtain written consent from the City prior to:

- (a) Initiating any project to make capital improvements to the Water and Wastewater System or other District facilities;
- (b) Entering into any contract with a third party provider for water, wastewater, fire, police, or other services (including wholesale water service) to the District where the term of the contract extends beyond the District Annexation Date. This provision shall *not apply* to regular District employment contracts where the term of employment does not exceed one year in length; and,
- (c) Issuing District bonds or notes for any purpose.

Section 3.03 Depreciation Reserve. The District has certain funds (the "Depreciation Reserve") dedicated for certain improvements to the District's water and wastewater system and facilities (the "Water and Wastewater System"). The District and the City agree that the Depreciation Reserve should be maintained in a dedicated account to preserve the Depreciation Reserve solely for use in capital improvements to or replacement of any part of the Water and Wastewater System. The parties further agree that, subject to the reasonable judgment of the City, the Depreciation Reserve will not be used for any other purpose including, by way of example and not in limitation, operation and ordinary repair and maintenance of the Water and Wastewater System.

Section 3.04 Insurance. The City agrees to maintain for a minimum of three years after the District's dissolution any "tail coverage" insurance policy obtained by the District prior to its dissolution protecting the District's directors from liability for possible errors and omissions.

Article IV.

ANNEXATION

Section 4.01 Annexation of the District. In accordance with Section 43.0751(f)(5), the District and the City agree that the District shall be annexed by the City for full purposes on March 1, 2006, or such other date as the District and the City may agree in writing (the "District Annexation Date"). Upon annexation of the District:

- (a) The City shall take over and assume all assets, debts, liabilities, and obligations of the District, and the City shall perform all functions of the District, including the provision of police, fire, water, wastewater, and other District services existing as of the Effective Date; and,
- (b) Pursuant to Section 43.0751(h), all land within the boundaries of the District as of the District Annexation Date shall be deemed to be within the full-purpose boundary limits of the municipality without the need for further action by the City Council.

14060569
OFFICIAL PUBLIC RECORD
BURNET COUNTY TEXAS

Section 4.02 District Dissolution. After full purpose annexation of the District by the City on the District Annexation Date in accordance with Section 4.01 above, the District shall be dissolved. After the District is dissolved, the District Board shall continue to exist for not more than ninety (90) days for the sole purpose of doing any and all acts or things necessary to complete transfer of the District's assets, debts, liabilities, and obligations to the City.

Article V.

DEFAULT/REMEDIES

Section 5.01 Default. In the event of a default under or violation of this Agreement, the non-defaulting party shall send the defaulting party notice of its default or violation. Except as otherwise specifically provided in this Agreement, the defaulting party shall have twenty (20) days following receipt of the notice of default or violation to initiate steps to cure the default or violation. The defaulting party shall thereafter diligently proceed to cure the default or violation. If the defaulting party fails to timely initiate steps to cure or to thereafter diligently proceed to cure, the non-defaulting party may bring suit to enforce this Agreement and seek any remedy provided at law or in equity.

Article VI.

MISCELLANEOUS

Section 6.01 Binding Agreement. This Agreement shall be binding upon all owners present and future, of land that is included within the District's boundaries on the Effective Date.

Section 6.02 Execution. This Agreement shall not be effective unless executed by the City and the District on or before March 1, 2006. To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of all persons required to bind any party appear on each counterpart. All counterparts shall collectively constitute a single instrument.

Section 6.03 Termination. Sections 3.03, 3.04, 4.02, 5.01, and 6.03 shall survive termination of this Agreement. The remainder of this Agreement shall terminate at 12:01 a.m. on the day immediately following the District Annexation Date.

Section 6.04 Notices. Any notice required by this Agreement shall be void and of no effect unless given in accordance with the provisions of this Section 6.04. All notices shall be in writing and delivered, either by personal delivery or commercial delivery service to the office of the person to whom the notice is directed, or by United States Mail, postage prepaid, as a registered or certified item, return receipt requested. Notices delivered by personal delivery or commercial delivery service shall be deemed to have been given upon receipt at the office of the person to whom the notice is directed. Notices delivered by mail shall be deemed to have been given on the third day after the date such notice is deposited in a Post Office or other depository under the care or custody of the United States Postal Service, enclosed in a wrapper with proper postage affixed and addressed, as provided below. Notice may also be provided by facsimile transmission. Facsimile notice shall be deemed to have been given upon the sender's receipt of electronic confirmation of delivery to the facsimile station indicated below.

OFFICIAL PUBLIC RECORD
BURNET COUNTY, TEXAS
1406 0570

The proper address and facsimile number for the District is as follows:

Lake LBJ Municipal Utility District
Attention: General Manager
P.O. Box 7765
Horseshoe Bay, Texas 78657
Tel No. (830) 598-8741
Fax No. (830) 598-8744

The proper address and facsimile number for the City is as follows:

City of Horseshoe Bay
Attention: Mayor
P.O. Box 7765
Horseshoe Bay, Texas 78657
Tel No. (830) 598-8741
Fax No. (830) 598-8744

OFFICIAL PUBLIC RECORD
BURNET COUNTY, TEXAS
1406 0571

Any party hereto may change the address or facsimile number for notices specified above by giving the other party ten (10) days' advance written notice of such change of address or facsimile number.

Section 6.05 Indemnification. The City and the District shall each be responsible for the actions of its members, agents, and staff during the period of this Agreement, to the extent such actions are not made in good faith.

Section 6.06 Assignment. This Agreement may not be assigned by either party without the prior written consent of the non-assigning party.

Section 6.07 Governing Law. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE OBLIGATIONS OF THE PARTIES HERETO ARE AND SHALL BE PERFORMABLE IN BURNET AND LLANO COUNTIES, TEXAS.**

Section 6.08 No Oral Modification. This Agreement may not be supplemented, modified or amended, except by an agreement in writing signed by the City and the District upon approval by their respective governing bodies.

Section 6.09 No Oral Waiver. The parties may waive any of the conditions contained herein or any of the obligations of the other party hereunder, but any such waiver shall be effective only if in writing and signed by the party waiving such conditions or obligations.

Section 6.10 Time of Essence. Time is of the essence of this Agreement.

Section 6.11 Headings, Gender, etc. The headings used in this Agreement have been inserted for convenience and do not constitute matter to be construed or interpreted in connection with this Agreement. Unless the context of this Agreement otherwise requires (a) words of any gender are deemed to include each other gender, (b) words using the singular or plural number also include the plural or singular number, respectively, (c) the terms "hereof," "herein," "hereby," "hereto," and derivative or similar words refer to this entire Agreement, (d) the terms "Article" or "Section" refer to the specified Article or Section of this Agreement, (e) the term

"or" means "and/or" and (f) all references to "dollars" or "\$" refer to currency of the United States of America.

Section 6.12 Total Agreement. This Agreement, including the exhibits hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No representation, warranty, covenant, agreement or condition not expressed in this Agreement shall be binding upon the parties hereto or shall be effective to interpret, change or restrict the provisions of this Agreement.

Section 6.13 Partial Invalidity. If any clause or provision of this Agreement is or should ever be held to be illegal, invalid, or unenforceable under any present or future law applicable to the terms hereof, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and that in lieu of each such clause or provision of this Agreement that is illegal, invalid, or unenforceable, there be added as a part of this Agreement a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

Section 6.14 Authorization. Each party executing this Agreement on behalf of the District and the City possesses all requisite authority to execute this Agreement on such party's behalf.

Section 6.15 Holidays. In the event that the date upon which any duties or obligations hereunder are to be performed or any deadline hereunder shall occur shall be a Saturday, Sunday or legal holiday, then, in such event, the due date for performance of any duty or obligation shall thereupon be automatically extended to the next succeeding business day.

[THE BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

OFFICIAL PUBLIC RECORD
BURNET COUNTY, TEXAS
1406 0512

EXECUTED and EFFECTIVE as of the Effective Date.

THE MUD:

LAKE LBJ MUNICIPAL UTILITY DISTRICT
a Texas municipal utility district

By: *J. E. Ayers*
J.E. Ayers, President, Board of Directors

ATTEST:

R. A. Lowry
R.A. Lowry, Secretary, Board of Directors

THE CITY OF HORSESHOE BAY:

By: *Robert W. Lambert*
Robert W. Lambert, Mayor

ATTEST:

Soni Vandenberg

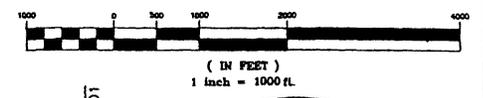
[NOTARIZATION ON THE FOLLOWING PAGE]

OFFICIAL PUBLIC RECORD
BURNET COUNTY, TEXAS
1406 0513

EXHIBIT "B" 13275 LAKE LYNDON B. JOHNSON MUNICIPAL UTILITY DISTRICT "HORSESHOE BAY" BOUNDARY MAP

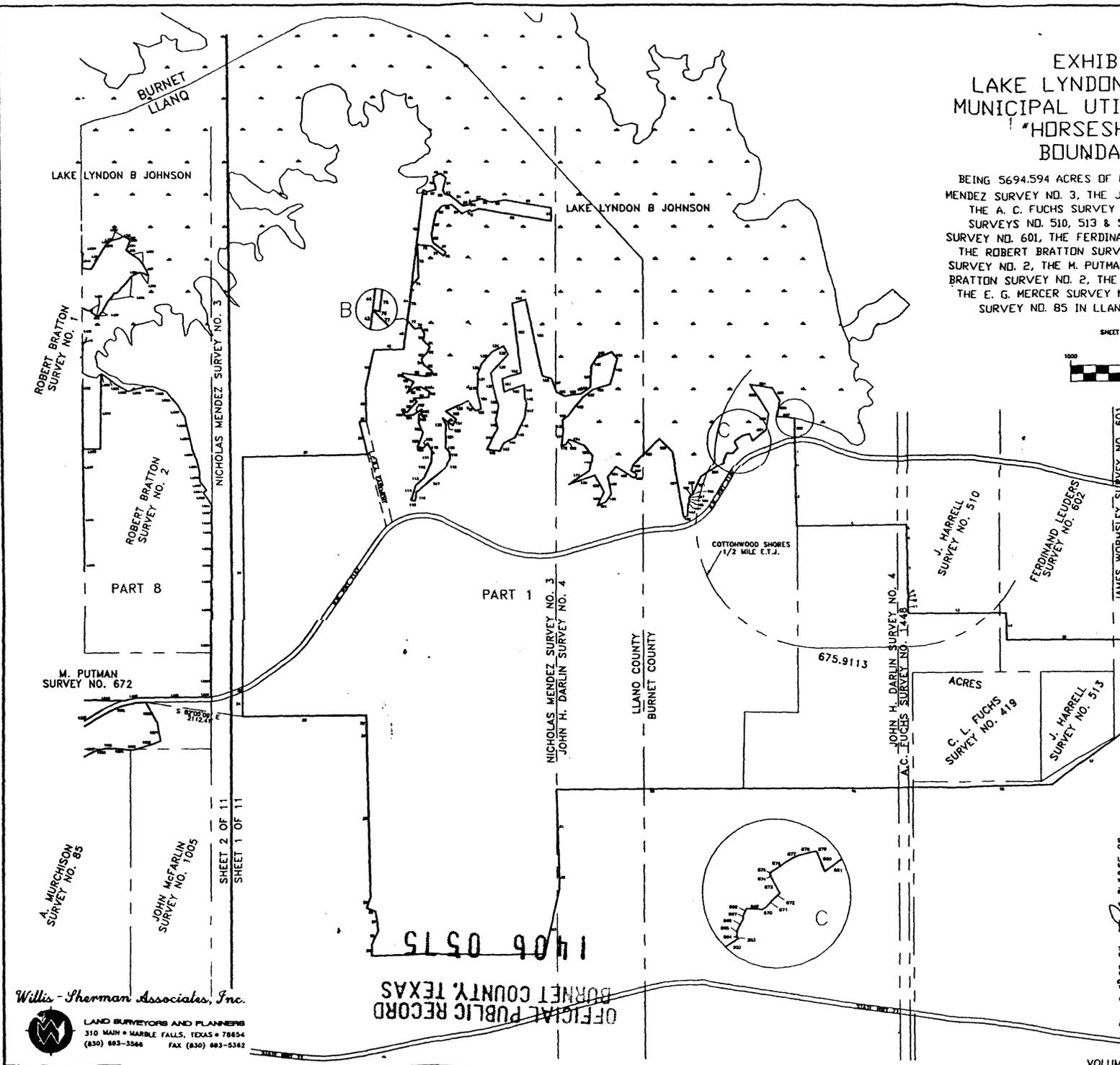
BEING 5694.594 ACRES OF LAND OUT OF THE NICHOLAS MENDEZ SURVEY NO. 3, THE JOHN H. DARLIN SURVEY NO. 4, THE A. C. FUCHS SURVEY NO. 1448, THE J. HARRELL SURVEYS NO. 510, 513 & 514, THE JAMES WORMSLEY SURVEY NO. 601, THE FERDINAND LEUDERS SURVEY NO. 602, THE ROBERT BRATTON SURVEY NO. 1, THE LEVI MERCER SURVEY NO. 2, THE M. PUTMAN SURVEY NO. 672, THE JOHN BRATTON SURVEY NO. 2, THE C. L. FUCHS SURVEY NO. 419, THE E. G. MERCER SURVEY NO. 3 AND THE A. MURCHISON SURVEY NO. 85 IN LLANO AND BURNET COUNTIES

SHEET 1 OF 12 GRAPHIC SCALE



STATE OF TEXAS
COUNTY OF BURNET:
I, Janet Parker, County Clerk of County Court of said County, do hereby certify that the foregoing instrument with the Certificate of Authentication was filed for record on this 27th day of December, 2000, at 9:15 o'clock AM, and was duly recorded this 27th day of December, 2000, at 9:15 o'clock AM in General Index Book 2000-10464, page 13275 of the Burnet County Public Records.
WITNESS MY HAND AND OFFICIAL SEAL this 27th day of December, 2000.
Janet Parker
County Clerk, Burnet County, Texas

STATE OF TEXAS
COUNTY OF LLANO:
I, Betta Sue Hoy, County Clerk of County Court of said County, do hereby certify that the foregoing instrument with the Certificate of Authentication was filed for record on this 27th day of December, 2000, at 9:15 o'clock AM, and was duly recorded this 27th day of December, 2000, at 9:15 o'clock AM in General Index Book 2000-10464, page 13275 of the Llano County Public Records.
WITNESS MY HAND this 27th day of December, 2000.
Betta Sue Hoy
County Clerk, Llano County, Texas



VOL 1350 PAGE 499

VOL 1104 PAGE 148

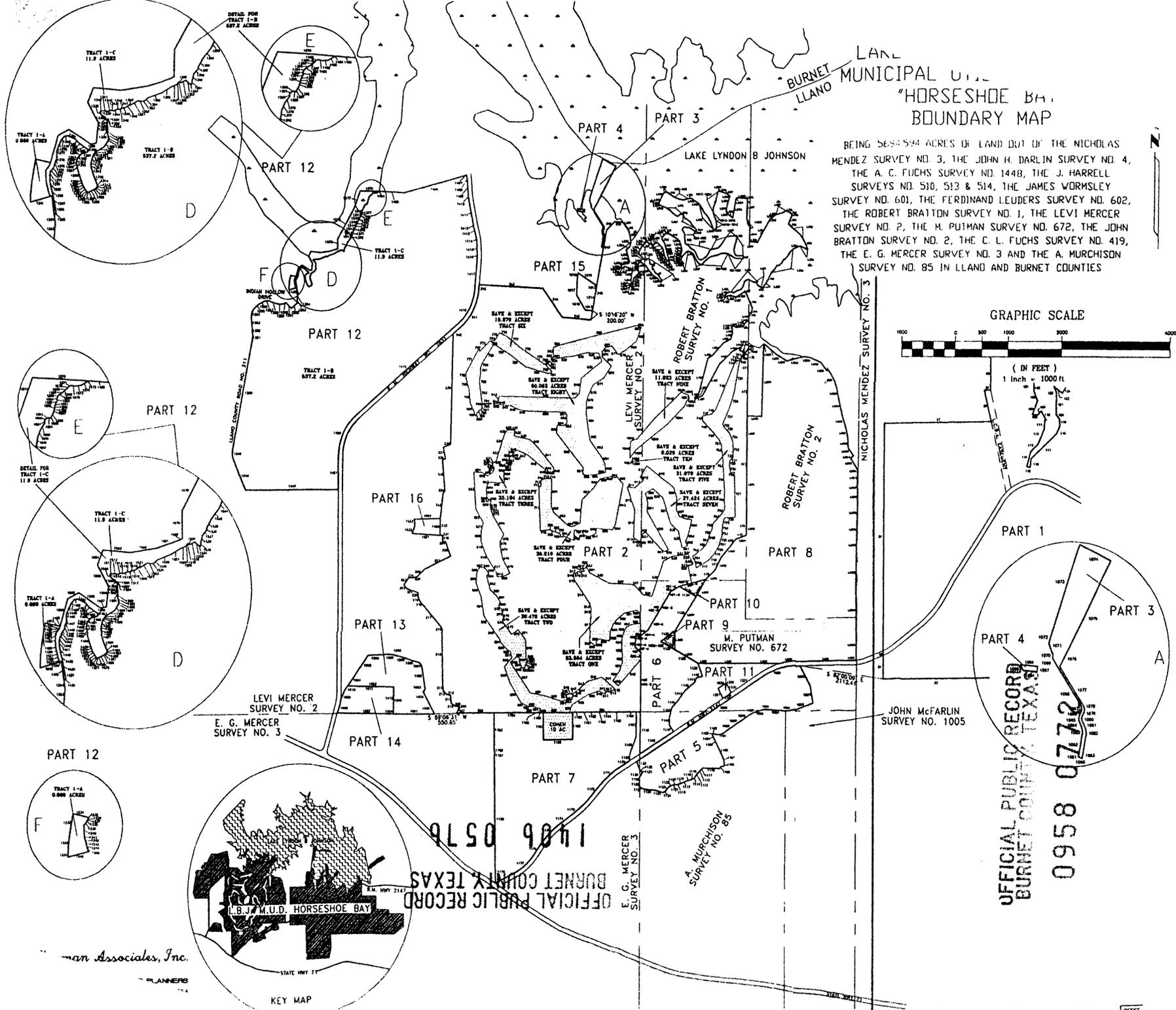
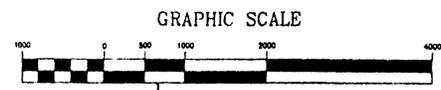
Willis-Sherman Associates, Inc.
LAND SURVEYORS AND PLANNERS
310 MAIN • MARBLE FALLS, TEXAS • 78654
(830) 893-3586 FAX (830) 893-5342

OFFICIAL PUBLIC RECORD
BURNET COUNTY, TEXAS
1406 0515

VOL 1350 PAGE 500

LAKELAND MUNICIPAL UTILITY "HORSESHOE BAY" BOUNDARY MAP

BEING 564,524 ACRES OF LAND OUT OF THE NICHOLAS MENDEZ SURVEY NO. 3, THE JOHN H. DARLIN SURVEY NO. 4, THE A. C. FUCHS SURVEY NO. 1448, THE J. HARRELL SURVEYS NO. 510, 513 & 514, THE JAMES WORMSLEY SURVEY NO. 601, THE FERDINAND LEUDERS SURVEY NO. 602, THE ROBERT BRATTON SURVEY NO. 1, THE LEVI MERCER SURVEY NO. 2, THE M. PUTMAN SURVEY NO. 672, THE JOHN BRATTON SURVEY NO. 2, THE C. L. FUCHS SURVEY NO. 419, THE E. G. MERCER SURVEY NO. 3 AND THE A. MURCHISON SURVEY NO. 85 IN LLAND AND BURNET COUNTIES



BURNET COUNTY TEXAS



man Associates, Inc.

PLANNERS

KEY MAP

OFFICIAL PUBLIC RECORD
BURNET COUNTY TEXAS
1409 0579

OFFICIAL PUBLIC RECORD
BURNET COUNTY TEXAS
0958 0770

LAND TITLE SURVEY

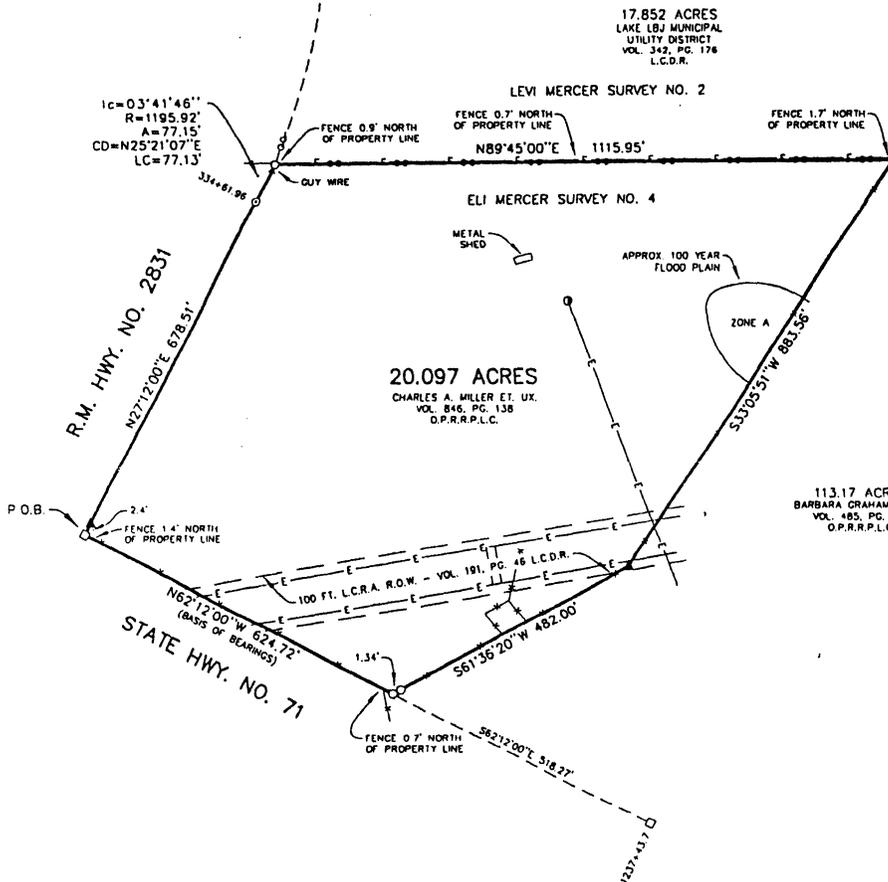
BEING 20.097 ACRES OUT OF THE ELI MERCER SURVEY NO. 4, ABSTRACT NO. 563 IN LLANO COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

OF NO. 99L17446
 CLIENT: SHELTON THIBODEAUX

SCALE: 1" = 200

LEGEND:

- 1/2" IRON ROD FOUND
- 1/2" IRON ROD SET
- CONC. HWY. MARK. FOUND
- ▲ 600 NAIL FOUND IN FENCE
- X- WIRE FENCE
- OO- CHAIN LINK FENCE
- POWER POLE
- E- O.H. ELEC. LINE
- () RECORD INFORMATION



20.097 ACRES
 CHARLES A. MILLER ET UX.
 VOL. 846, PG. 138
 O.P.R.R.P.L.C.

113.17 ACRES
 BARBARA GRAHAM TERRY
 VOL. 485, PG. 247
 O.P.R.R.P.L.C.

NOTE:
 A PORTION OF THE PROPERTY SHOWN HEREON DOES LIE WITHIN THE 100 YEAR FLOOD PLAIN, ZONE A, AS SCALED FROM THE LLANO COUNTY FLOOD INSURANCE RATE MAP NO. 481234 0285 B, DATED SEPTEMBER 18, 1991.

THE PROPERTY SHOWN HEREON IS SUBJECT TO THE FOLLOWING:
 1. ELEC TRANSMISSION LINE ESMT. TO L.C.R.A. IN VOL. 191, PG. 46 L.C.D.R.

THE PROPERTY SHOWN HEREON IS NOT SUBJECT TO THE FOLLOWING:
 1. ESMT. TO P.E.C. IN VOL. 264, PG. 683 AND VOL. 292, PG. 657 L.C.D.R.

I, CHARLES CALHOUN, A REGISTERED PROFESSIONAL LAND SURVEYOR IN THE STATE OF TEXAS, DO HEREBY CERTIFY TO SHELTON THIBODEAUX, MARBLE FALLS NATIONAL BANK AND CENTRAL TEXAS LAND TILES, INC. THAT THIS SURVEY WAS MADE ON THE GROUND OF THE PROPERTY DESCRIBED HEREON (AND/OR METES AND BOUNDS ON ATTACHED SHEET) AND IS CORRECT AND THERE ARE NO DISCREPANCIES, CONFLICTS, OVERLAPPING OF IMPROVEMENTS, VISIBLE ENCROACHMENTS, VISIBLE UTILITY LINES OR ROADS IN PLACE EXCEPT AS SHOWN HEREON AND SAID PROPERTY HAS ACCESS TO A DEDICATED ROADWAY, EXCEPT AS SHOWN HEREON.

WITNESS MY HAND AND SEAL THIS 22ND DAY OF SEPTEMBER, 1999.

CHARLES CALHOUN REGISTERED PROFESSIONAL LAND SURVEYOR, NO. 4452

JOB NO. 99819 DRAWN BY: B. BURTON



OFFICIAL PUBLIC RECORD
 BURNET COUNTY, TEXAS
 1406 057

RECORDERS MEMORANDUM
 At the time of recording, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed and recorded.

OFFICIAL PUBLIC RECORD
 BURNET COUNTY, TEXAS
 1200 0366

Exhibit "A"

VOL 1350 PAGE 501

VOL 1235 PAGE 881

002474

FILED

2006 FEB 27 PM 4: 05

JANET PARKER
COUNTY CLERK
BURNET COUNTY, TEXAS

SCANNED

STATE OF TEXAS
COUNTY OF BURNET

I hereby certify that this instrument was FILED on this date
and at the time stamped hereon by me and was duly
RECORDED in the OFFICIAL PUBLIC RECORDS
OF BURNET COUNTY, TEXAS in the volume
and Page as shown.



Janet Parker
County Clerk
Burnet County, Texas
By [Signature]
DEPUTY

Any provision herein which restricts the sale, rental or use
of the described real property because of color or race is
invalid and unenforceable under federal law.

OFFICIAL PUBLIC RECORD
BURNET COUNTY, TEXAS
1406 0518

STATE OF TEXAS
COUNTY OF LLANO

I hereby certify that this instrument was FILED on
the date and at the time stamped hereon by me and
was duly RECORDED in the Volume and Page of
the Official Public Records of Llano County, Texas.

FILED
AT 10:36 O'CLOCK A M
ON THE 16 DAY OF
Feb A.D.
2006.

BETTE SUE HOY
COUNTY CLERK
LLANO COUNTY, TEXAS



Bette Sue Hoy

BETTE SUE HOY
COUNTY CLERK, LLANO CO, TEXAS

BY C. Stewart
DEPUTY WARD
Burnet
Co. Clerk

VOL 1350 PAGE 502

VOL. 1350 PAGE 489-502
RECORDED Feb 16, 2006