



Control Number: 45873



Item Number: 28

Addendum StartPage: 0

RECEIVED
2017 JUL 25 AM 10:02
PUBLIC UTILITY COMMISSION
FILING CLERK

July 23, 2017

Public Utility Commission of Texas
Attention: Filing Clerk
1701 N. Congress Avenue
P. O. Box 13326
Austin, TX 78711-3326

Re: Docket 45873: APPLICATION OF RIVIERA WATER SYSTEM INC. AND RIVIERA WATER CONTROL AND IMPROVEMENT DISTRICT FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN KLEBERG COUNTY

Delivery via Fedex

Please find enclosed the following documents related to the above docket:

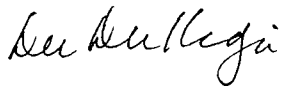
Executed purchase agreement between seller and purchaser as prepared by Kingsville Title Services – 1 copy numbered and 6 additional copies.

The document was previously submitted as a confidential filing on July 6, 2017; however, that mode of filing was an inadvertent error.

Please accept this filing as proper and correct.

Because this filing is greater than 10 pages, it has also been electronically uploaded – for reference, the tracking number is **WYIWAGIX**.

Thank you,



Dee Dee Kedzie
For: Riviera Water System Inc.
P. O. Box 127, Riviera TX 78379 (361)-219-1886

Cc: Gerald L. Gibson, President, Riviera Water System Inc.
Toby Yaklin, President, Riviera Water Control and Improvement District

NOTARY SHEET

DATE OF ACKNOWLEDGEMENT

June 28, 2019

GF # 1520802

X

Gerald H. Linn

PRINTED NAME

X

Frank R. Linn

SIGNATURE

X

PRINTED NAME

X

SIGNATURE

NOTARY NAME AND ADDRESS:

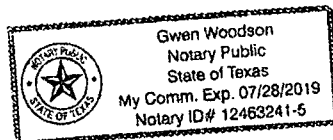
KINGSVILLE TITLE SERVICES

115 N. Seventh

Kingsville, Texas 78363

NOTARY SIGN & SEAL

[Signature]



COPY 1
numbered

NOTARY SHEET

DATE OF ACKNOWLEDGEMENT June 28, 2017

GF # 1520802

X TONY YAKISO
PRINTED NAME

X [Signature]
SIGNATURE

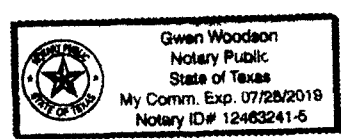
X _____
PRINTED NAME

X _____
SIGNATURE

NOTARY NAME AND ADDRESS:

KINGSVILLE TITLE SERVICES
116 N. Seventh
Kingsville, Texas 78863

NOTARY SIGN & SEAL [Signature]



A. Settlement Statement

U.S. Department of Housing
and Urban Development

OMB No. 2502-0265

B. Type of Loan

1. ☐ FHA 2. ☐ FmHA 3. ☐ Conv Unins
4. ☐ VA 5. ☐ Conv Ins. 6. ☒ Seller Finance

6. File Number
1520002

7. Loan Number

8. Mortgage Ins Case Number

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower
Riviera Water Control and Improvement District
P.O. Box 430
Riviera, TX 78379

E. Name & Address of Seller
Gerald L. Gibson
P.O. Box 127
Riviera, TX 78379

F. Name & Address of Lender
Gerald L. Gibson
P.O. Box 127
Riviera, TX 78379

G. Property Location

Riviera, Block 23, Lot 8-10, N 90° 11' & Lot Factory Site (Between Blocks
28 & 29 10,
HWY 77
Riviera, TX 78379

H. Settlement Agent Name
Kingsville Title Services
115 North 7th Street
Kingsville, TX 78363 Tax ID: 74-2434853

I. Settlement Date
6/15/2017
Fund:
Place of Settlement
Caldwell Banker Properties
9034 Holly Road
Corpus Christi, TX 78411

J. Summary of Borrower's Transaction

100. Gross Amount Due from Borrower

101. Contract Sales Price	\$250,000.00
102. Personal Property	
103. Settlement Charges to borrower	\$908.36
104.	
105.	
Adjustments for items paid by seller in advance	
106. City property taxes	
107. Annual assessments	
108. School property taxes	
109. MUD taxes	
110. Other taxes	
111.	
112.	
113.	
114.	
115.	
116.	

120. Gross Amount Due From Borrower

\$250,908.36

200. Amounts Paid By Or In Behalf Of Borrower

201. Deposit or earnest money	
202. Principal amount of new loan(s)	
203. Existing loan(s) taken subject to	
204. Commitment fee	
205.	
206. Return option fee to purchaser	
207.	
208.	
209. Seller Finance	\$66,943.00
Adjustments for items unpaid by seller	
210. City property taxes	
211. Annual assessments	
212. School property taxes	
213. MUD taxes	
214. Other taxes	
215. Tax Prorations for 2017 Tax Year	\$5.01
216.	
217.	
218.	
219.	

220. Total Paid By/For Borrower

\$66,948.01

300. Cash At Settlement From/To Borrower

301. Gross Amount due from borrower (line 120)	\$250,908.36
302. Less amounts paid by/for borrower (line 220)	\$66,948.01
303. Cash From Borrower	\$183,960.37

K. Summary of Seller's Transaction

400. Gross Amount Due to Seller

401. Contract Sales Price	\$250,000.00
402. Personal Property	
403.	
404.	
405.	
Adjustments for items paid by seller in advance	
406. City property taxes	
407. Annual assessments	
408. School property taxes	
409. MUD taxes	
410. Other taxes	
411.	
412.	
413.	
414.	
415.	
416.	

420. Gross Amount Due to Seller

\$250,000.00

500. Reductions in Amount Due to Seller

501. Excess Deposit	
502. Settlement Charges to Seller (line 1400)	\$4,738.62
503. Existing Loan(s) Taken Subject to	
504. Payoff of first mortgage loan	
505. Payoff of second mortgage loan	
506. Return option fee to purchaser	
507.	
508.	
509. Seller Finance	\$66,943.00
Adjustments for items unpaid by seller	
510. City property taxes	
511. Annual assessments	
512. School property taxes	
513. MUD taxes	
514. Other taxes	
515. Tax Prorations for 2017 Tax Year	\$5.01
516.	
517. 2015 County Taxes Due	\$20.65
518.	
519.	

520. Total Reduction Amount Due Seller

\$71,707.28

600. Cash At Settlement To/From Seller

601. Gross Amount due to seller (line 420)	\$250,000.00
602. Less reductions in amt. due seller (line 520)	\$71,707.28
603. Cash To Seller	\$178,292.72

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: • HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; • Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; • Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper. The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information requested does not lend itself to confidentiality.

L. Settlement Charges					
700. Total Sales/Broker's Commission based on price	\$250,000.00	@ % =	\$0.00	Paid From	Paid From
Division of Commission (line 700) as follows:				Borrower's	Seller's
701.	to			Funds at	Funds at
702.	to			Settlement	Settlement
703. Commission Paid at Settlement				\$0.00	\$0.00
704. Transaction Fee	to				
705. A portion of the commission shown above	to				
800. Items Payable in Connection with Loan					
801. Loan Origination Fee %	to				
802. Loan Discount %	to				
803. Appraisal Fee	to				
804. Credit Report	to				
805. Lender's Inspection Fee	to				
806. Mortgage Insurance Application	to				
807. Administration Fee	to				
808. Underwriting Fee	to				
809. Processing Fee	to				
810. Flood Certification Fee	to				
811. Tax Service Fee	to				
900. Items Required by Lender To Be Paid in Advance					
901 Interest from 6/15/2017 to 7/1/2017 @ \$0/day					
902. Mortgage Insurance Premium for months	to				
903. Hazard Insurance Premium for years	to				
1000. Reserves Deposited With Lender					
1001. Hazard insurance	months @	per month		\$0.00	
1002. Mortgage insurance	months @	per month		\$0.00	
1003. City property taxes	months @	per month		\$0.00	
1004. County property taxes	months @	per month		\$0.00	
1005. Annual assessments	months @	per month		\$0.00	
1006. School property taxes	months @	per month		\$0.00	
1007. MUD taxes	months @	per month		\$0.00	
1008. Other taxes	months @	per month		\$0.00	
1011. Aggregate Adjustment					
1100. Title Charges					
1101. Settlement or closing fee	to				
1102. Abstract or title search	to				
1103. Title examination	to				
1104. Title insurance binder	to				
1105. Document preparation	to Michael J. Krueger			\$275.00	\$550.00
1106. Notary fees	to				
1107. Attorney's fees	to				
(includes above items numbers.)					
1108. Title insurance	to Coldwell Banker Properties			\$115.00	\$1,706.00
(includes above items numbers.)					
1109. Lender's coverage	\$66,943.00/\$140.00				
1110. Owner's coverage	\$250,000.00/\$1,706.00				
1111. Policy Guaranty Fee to Texas City Assoc	to Texas Title Insurance Guaranty Association				
1112. Escrow Fee	to Coldwell Banker Properties			\$400.00	\$400.00
1113. 15% of Title Premium	to First National Title Insurance Company				
1114. Tax deletion (MTP & BINDER ONL)	to Coldwell Banker Properties			\$20.00	
1115. Not yet due/payable (MTP & BIN)	to Coldwell Banker Properties			\$5.00	
1200. Government Recording and Transfer Charges					
1201. Recording Fees	Deed \$37.00 ; Mortgage \$53.00 ; Releases \$29.00			\$90.00	\$29.00
1202. City/county tax/stamps	Deed ; Mortgage to				
1203. State tax/stamps	Deed ; Mortgage to				
1204. Tax Research and certificates	to Filing Fee Account				\$20.00
1205. Record Notice to Purchaser	to Filing Fee Account				\$37.00
1206. Record Assignment of Lien	to Filing Fee Account				
1300. Additional Settlement Charges					
1301. Survey	to			\$3.38	\$1,996.62
1302. Pest inspection	to				
1303. Residential Service Contract	to				
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)				\$906.38	\$4,738.62

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of pages 1, 2 and 3 of this HUD-1 Settlement Statement

Riviera Water Control and Improvement District


Gerald L. Gibson

By T. of apli

Printed Name. TOBY YAKIM

Title President

SETTLEMENT AGENT CERTIFICATION
The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this statement.


Settlement Agent Date

Warning: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

Previous Editions are Obsolete

Page 3

Form HUD-1 (3/86)
Handbook 4305.2

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

WARRANTY DEED WITH VENDOR'S LIEN

DATE: June 15, 2017

GRANTOR: Gerald L. Gibson, not joined herein by his spouse, for the reason that the property herein conveyed does not constitute any part of their homestead

GRANTOR'S MAILING ADDRESS (INCLUDING COUNTY): P.O. Box 127, Riviera, Kleberg County, Texas 78379

GRANTEE: Riviera Municipal Utility District, f/k/a Riviera Water Control and Improvement District

GRANTEE'S MAILING ADDRESS (INCLUDING COUNTY): Post Office Box 430, Riviera, Kleberg County, Texas 78379

CONSIDERATION: Ten and 00/100th Dollars (\$10.00) and one (1) real estate lien note as follows:

One (1) note of even date that is in the principal amount of Sixty-Six Thousand Nine Hundred Forty-Three and 00/100ths Dollars (\$66,943.00), and is executed by the Grantee, payable to the order of Gerald L. Gibson. The note is secured by a vendor's lien retained in favor of Grantor in this deed and by a deed of trust of even date from Grantee to Michael James Krueger, Trustee. The vendor's lien and superior title to the property are retained for the benefit of Gerald L. Gibson.

PROPERTY (INCLUDING ANY IMPROVEMENTS):

Tract I: Lots Eight (8), Nine (9), Ten (10) and the North 90.0' of Lot Eleven (11), Block Twenty Three (23), Riviera Townsite, according to map or plat of record in Vol. 1, Page 19, Envelope 10, Map and Plat Records of Kleberg County, Texas.

Tract II: A tract of land containing approximately .146 of an acre in the Townsite of Riviera out of the 100 foot-wide strip of land along the West line of the St. Louis, Brownsville & Mexico Railroad right of way,

designated as being reserved for factory sites and other purposes on the map of said Riviera Townsite of record in the Map Records of Kleberg County, Texas, said tract hereby conveyed being described by metes and bounds as follows:

Beginning at the southeast corner of the south line of said Block 28, a distance of 103.1 feet to a point in the west line of the right-of-way of the St. Louis, Brownsville & Mexico Railroad for the northeast corner of this tract;

THENCE in a southeasterly direction along said west right-of-way line, a distance of 61.9 feet to a point for the southeast corner of this tract;

THENCE West along an easterly extension of the north line of Block Thirty-Seven (37) of the Townsite of Riviera, a distance of 103.1 feet to the northeast corner of said Block 37 and the southwest corner of this tract;

THENCE in a northwesterly direction, parallel to the west line of the St. Louis, Brownsville & Mexico Railroad Right-of-way, a distance of 61.9 feet to the place of beginning.

RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY: All easements, rights of way, prescriptive rights, and reservations of record, all presently recorded restrictions, covenants, reservations, conditions, oil and gas leases, mineral severances, and other instruments that affect the property; and any discrepancies, conflicts, or shortages in area or boundary lines.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, subject to the provisions stated above, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor hereby binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, subject to the reservations from and exceptions to warranty.

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


Gerald L. Gibson

ACKNOWLEDGMENT

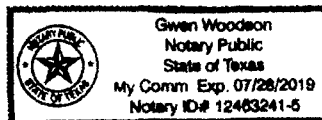
STATE OF TEXAS
COUNTY OF KLEBERG

On this 28th day of June, 2017, came on before me the undersigned notary public in and for the State of Texas, the person of Gerald L. Gibson, known to me to be the person whose name is subscribed hereto and acknowledged to me that he executed the foregoing instrument in the capacities and for the purposes and consideration therein expressed.


Notary Public - State of Texas

PREPARED IN THE LAW OFFICE OF:

Michael James Krueger
Post Office Box 1538
Kingsville, Texas 78364-1538



AFTER RECORDING RETURN TO:

Riviera Municipal Utility District, f/k/a
Riviera Water Control and Improvement District
Post Office Box 430
Riviera, Texas 78379

REAL ESTATE LIEN NOTE

DATE: June 15, 2017

MAKER: Riviera Municipal Utility District, f/k/a Riviera Water Control and Improvement District

MAKER'S MAILING ADDRESS (INCLUDING COUNTY): Post Office Box 430, Riviera, Kleberg County, Texas 78379

PAYEE: Gerald L. Gibson

PLACE FOR PAYMENT (INCLUDING COUNTY): P.O. Box 127, Riviera, Kleberg County, Texas 78379

PRINCIPAL AMOUNT: Sixty-Six Thousand Nine Hundred Forty-Three and 00/100ths Dollars (\$66,943.00)

ANNUAL INTEREST RATE ON UNPAID PRINCIPAL FROM DATE: Five percent (5%)

ANNUAL INTEREST RATE ON MATURED, UNPAID AMOUNTS: Highest rate allowed by law.

"Highest Lawful Rate" means the maximum nonusurious rate of interest permitted by whichever of applicable Federal or State law from time to time permits the highest maximum non-usurious interest rate. At all times, if any, as Section 1 of the Texas Credit Code, as amended, shall establish the highest lawful rate, the highest lawful rate shall be the indicated quarterly rate ceiling (as defined in Section 303.009 of the Texas Finance Code) from time to time in effect. If the maximum lawful rate is increased or removed by statute or other governmental action subsequent to the date of this note, then the new maximum lawful rate, if any, will be applicable to this note from the effective date of the new maximum lawful rate, unless such application is precluded by statute or governmental action or by the general law of the jurisdiction governing this note.

TERMS OF PAYMENT (PRINCIPAL AND INTEREST): Principal and interest are payable in fifty-nine (59) equal monthly installments in the amount of One Thousand Four Hundred Seventy-Two and 00/100ths Dollars (\$1,472.00) or more each, with the first installment being due and payable on the 15th day of December, 2017 and continuing regularly thereafter on the fifteenth (15th) day of each and every

month until November 15, 2022 when the entire remaining principal plus accrued interest, if any, is due and payable in full.

SECURITY FOR PAYMENT: That one (1) certain Deed of Trust lien dated June 15, 2017 from Riviera Municipal Utility District, f/k/a Riviera Water Control and Improvement District to Michael James Krueger, Trustee for the benefit of Gerald L. Gibson, together with that one (1) certain Vendor's Lien retained by Gerald L. Gibson in Warranty Deed with Vendor's Lien dated June 15, 2017, from Gerald L. Gibson to Riviera Municipal Utility District, f/k/a Riviera Water Control and Improvement District, covering the following described property:

Tract I: Lots Eight (8), Nine (9), Ten (10) and the North 90.0' of Lot Eleven (11), Block Twenty Three (23), Riviera Townsite, according to map or plat of record in Vol. 1, Page 19, Envelope 10, Map and Plat Records of Kleberg County, Texas.

Tract II: A tract of land containing approximately .146 of an acre in the Townsite of Riviera out of the 100 foot-wide strip of land along the West line of the St. Louis, Brownsville & Mexico Railroad right of way, designated as being reserved for factory sites and other purposes on the map of said Riviera Townsite of record in the Map Records of Kleberg County, Texas, said tract hereby conveyed being described by metes and bounds as follows:

Beginning at the southeast corner of the south line of said Block 28, a distance of 103.1 feet to a point in the west line of the right-of-way of the St. Louis, Brownsville & Mexico Railroad for the northeast corner of this tract;

THENCE in a southeasterly direction along said west right-of-way line, a distance of 61.9 feet to a point for the southeast corner of this tract;

THENCE West along an easterly extension of the north line of Block Thirty-Seven (37) of the Townsite of Riviera, a distance of 103.1 feet to the northeast corner of said Block 37 and the southwest corner of this tract;

THENCE in a northwesterly direction, parallel to the west line of the St. Louis, Brownsville & Mexico Railroad Right- of- way, a distance of 61.9 feet to the place of beginning.

THIS NOTE IS PAYABLE IN FULL ON NOVEMBER 15, 2022. YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE, IF ANY. THE HOLDER OF THE NOTE IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE HOLDER OF THE NOTE, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE HOLDER OF THE NOTE.

A LOAN AGREEMENT AS DEFINED IN CHAPTER 26 OF THE TEXAS BUSINESS AND COMMERCE CODE IN WHICH THE AMOUNT INVOLVED EXCEEDS \$50,000.00 IN VALUE IS NOT ENFORCEABLE UNLESS THE AGREEMENT IS IN WRITING AND SIGNED BY THE PARTY TO BE BOUND OR BY THAT PARTY'S AUTHORIZED REPRESENTATIVE.

GERALD L. GIBSON HAS AGREED TO MAKE A LOAN TO THE UNDERSIGNED DEBTOR(S). TO EVIDENCE THE LOAN, THE FOLLOWING-DESCRIBED DOCUMENTS ARE BEING EXECUTED BY BORROWER(S), AND GUARANTOR(S) (IF ANY): DEED OF TRUST (IF REQUIRED), SECURITY AGREEMENT AND FINANCING STATEMENT (IF REQUIRED), EXTENSION OF REAL ESTATE LIEN NOTE, (IF REQUIRED), PROMISSORY NOTE, GUARANTY AGREEMENTS, (IF REQUIRED) AND LOAN AGREEMENT, IF ANY.

THE DOCUMENTS LISTED ABOVE REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

BORROWER(S), AND GUARANTOR(S) (IF ANY) ACKNOWLEDGE THAT HE/SHE/THEY HAVE READ AND UNDERSTOOD THE ABOVE NOTICE AT OR BEFORE THE TIME THE ABOVE-LISTED DOCUMENTS WERE SIGNED.

Maker promises to pay to the order of Payee at the place for payment and according to the terms of payment the principal amount plus interest at the rates stated above. All unpaid amounts shall be due by the final scheduled payment date.

On default in the payment of this note or in the performance of any obligation in any instrument securing or collateral to it, the unpaid principal balance and earned interest on this note shall become immediately due at the election of Payee. Maker and each surety, endorser, and guarantor waive all demands for payment, presentations for payment, notices of intention to accelerate maturity, notices of acceleration of maturity, protests, and notices of protest.

If this note or any instrument securing or collateral to it is given to an attorney for collection or enforcement, or if suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy, or other judicial proceeding, then Maker shall pay Payee all costs of collection and enforcement, including reasonable attorney's fees and court costs, in addition to other amounts due. Reasonable attorney's fees shall be 10% of all amounts due unless either party pleads otherwise.

Interest on the debt evidenced by this note shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

Each maker is responsible for all obligations represented by this note.

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

RIVIERA MUNICIPAL UTILITY DISTRICT
F/K/A RIVIERA WATER CONTROL AND
IMPROVEMENT DISTRICT

By: T. J. Krueger
Its: President

PREPARED IN THE LAW OFFICE OF:

Michael James Krueger
Attorney at Law
Post Office Box 1538
Kingsville, Texas 78364-1538

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

DEED OF TRUST

DATE: June 15, 2017

GRANTOR: Riviera Municipal Utility District f/k/a Riviera Water Control and Improvement District

GRANTOR'S MAILING ADDRESS (INCLUDING COUNTY): Post Office Box 430, Riviera, Kleberg County, Texas 78379

TRUSTEE: Michael James Krueger

TRUSTEE'S MAILING ADDRESS (INCLUDING COUNTY): Post Office Box 1538, Kingsville, Kleberg County, Texas 78364-1538

BENEFICIARY: Gerald L. Gibson

BENEFICIARY'S MAILING ADDRESS (INCLUDING COUNTY): P.O. Box 127, Riviera, Kleberg County, Texas 78379

NOTE(S):

DATE:	June 15, 2017
AMOUNT:	Sixty-Six Thousand Nine Hundred Forty-Three and 00/100ths Dollars (\$66,943.00)
MAKER:	Riviera Municipal Utility District, f/k/a Riviera Water Control and Improvement District
PAYEE:	Gerald L. Gibson
FINAL MATURITY DATE:	November 15, 2022.
TERMS OF PAYMENT:	As provided in the note.

PROPERTY (INCLUDING ANY IMPROVEMENTS):

Tract I: Lots Eight (8), Nine (9), Ten (10) and the North 90.0' of Lot Eleven (11), Block Twenty Three (23), Riviera Townsite, according to map or plat of record in Vol. 1, Page 19, Envelope 10, Map and Plat Records of Kleberg County, Texas.

Tract II: A tract of land containing approximately .146 of an acre in the Townsite of Riviera out of the 100 foot-wide strip of land along the West line of the St. Louis, Brownsville & Mexico Railroad right of way, designated as being reserved for factory sites and other purposes on the map of said Riviera Townsite of record in the Map Records of Kleberg County, Texas, said tract hereby conveyed being described by metes and bounds as follows:

Beginning at the southeast corner of the south line of said Block 28, a distance of 103.1 feet to a point in the west line of the right-of-way of the St. Louis, Brownsville & Mexico Railroad for the northeast corner of this tract;

THENCE in a southeasterly direction along said west right-of-way line, a distance of 61.9 feet to a point for the southeast corner of this tract;

THENCE West along an easterly extension of the north line of Block Thirty-Seven (37) of the Townsite of Riviera, a distance of 103.1 feet to the northeast corner of said Block 37 and the southwest corner of this tract;

THENCE in a northwesterly direction, parallel to the west line of the St. Louis, Brownsville & Mexico Railroad Right- of- way, a distance of 61.9 feet to the place of beginning.

PRIOR LIEN(S) (INCLUDING RECORDING INFORMATION): None.

OTHER EXCEPTIONS TO CONVEYANCE AND WARRANTY: All covenants, easements, and reservations of record.

For value received and to secure payment of the note, Grantor conveys the property to Trustee in trust. Grantor warrants and agrees to defend the title to the property. If Grantor performs all the covenants and pays the note according to its terms, this deed of trust shall have no further effect, and Beneficiary shall release it at Grantor's expense.

GRANTOR'S OBLIGATIONS

Grantor agrees to:

1. Keep the property in good repair and condition;
2. Pay all taxes and assessments on the property when due and deliver paid receipts to Beneficiary on or before February 1st of each year;
3. Preserve the lien's priority as it is established in this deed of trust;
4. Maintain, in a form acceptable to Beneficiary, an insurance policy that:
 - a. Covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - b. Contains an 80% coinsurance clause;
 - c. Provides fire and extended coverage, including windstorm coverage;
 - d. Protects Beneficiary with a standard mortgage clause;
 - e. Provides flood insurance at any time the property is in a flood hazard area; and
 - f. Contains such other coverage as Beneficiary may reasonably require;
5. Comply at all times with the requirements of the 80% coinsurance clause;
6. Deliver the insurance policy to Beneficiary and deliver renewals to Beneficiary at least ten days before expiration;
7. Keep any buildings occupied as required by the insurance policy; and
8. If this is not a first lien, pay all prior lien notes that Grantor is personally liable to pay and abide by all prior lien instruments.

BENEFICIARY'S RIGHTS

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee.
2. If the proceeds of the note are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid.
3. Beneficiary may apply any proceeds received under the insurance policy either to reduce the note or to repair or replace damaged or destroyed improvements covered by the policy.
4. If Grantor fails to perform any of Grantor's obligations, Beneficiary may perform those obligations and be reimbursed by Grantor on demand at the place where the note is payable for any sums so paid, including attorney's fees, plus interest on those sums from the dates of payment at the rate stated in the note for matured, unpaid amounts. The sum to be reimbursed shall be secured by this deed of trust.
5. If Grantor defaults on the note or fails to perform any of Grantor's obligations or if default occurs on a prior lien note or other instrument, Beneficiary may:
 - a. Declare the unpaid principal balance and earned interest on the note immediately due;

b. Request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended; and

c. Purchase the property at any foreclosure sale by offering the highest bid and then have the bid credited on the note.

TRUSTEE'S DUTIES

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. Either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;

2. Sell and convey all or part of the property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty; and

3. From the proceeds of the sale, pay, in this order:

a. Expenses of foreclosure, including a commission to Trustee of 5% of the bid;

b. To Beneficiary, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;

c. Any amounts required by law to be paid before payment to Grantor; and

d. To Grantor, any balance.

GENERAL PROVISIONS

1. If any of the property is sold under this deed of trust, Grantor shall immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.

2. Recitals in any Trustee's deed conveying the property will be presumed to be true.

3. Proceeding under this deed of trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.

4. This lien shall remain superior to liens later created even if the time of payment of all or part of the note is extended or part of the property is released.

5. If any portion of the note cannot be lawfully secured by this deed of trust, payments shall be applied first to discharge that portion.

6. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce

the note. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.

7. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property. Leases are not assigned. Grantor warrants the validity and enforceability of the assignment. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in default under the note or this deed of trust. Grantor will apply all rent and other income and receipts to payment of the note and performance of this deed of trust, but if the rent and other income and receipts exceed the amount due under the note and deed of trust, Grantor may retain the excess. If Grantor defaults in payment of the note or performance of this deed of trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the property if it is vacant and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the note and this deed of trust in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary bankrupt, Beneficiary's filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law.

8. Interest on the debt secured by this deed of trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration of required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

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

10. The term "note" includes all sums secured by this deed of trust.

11. This deed of trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.

12. If Grantor and Maker are not the same person, the term Grantor shall include Maker.

13. Grantor represents that this deed of trust and the note are given for the following purposes:

The debt evidenced by this note is in part payment of the purchase price of the property; the debt is secured by this Deed of Trust and by a Vendor's Lien on the property, which is expressly retained in a deed of even date given by Gerald L.

Gibson to Riviera Municipal Utility District, f/k/a Riviera Water Control and Improvement District. Said Vendor's Lien and Deed of Trust create a lien which is security for the repayment of a real estate lien note in the amount of Sixty-Six Thousand Nine Hundred Forty-Three and 00/100ths Dollars (\$66,943.00), which debt is in part payment of the purchase price of the property. This Deed of Trust does not waive the Vendor's Lien, and the two (2) liens and the rights created by this instrument shall be cumulative. Beneficiary may elect to foreclose under either of the liens without waiving the other or may foreclose under both. The Deed is incorporated into this Deed of Trust.

14. In the event the property, or any part thereof, securing the payment of the above-described Note is sold, transferred or conveyed, by any means, including but not limited to a Contract of Sale, prior to the payment in full of the Promissory Note secured by this Deed of Trust, then the holder of said Note shall have the option to declare all of the Note, including principal, accrued interest and prepayment penalty, if any, due and payable; and if the entire balance is not paid within thirty (30) days after the same is declared due and payable, the holder of said note may proceed to exercise all of its rights contained herein. Any failure to exercise this option by the holder of said note shall not be construed as a waiver of such right and such option may be exercised at any time.

15. Grantor shall not permit any other liens to encumber the property referenced herein, and the placing of any other lien against the property referenced herein, either voluntarily or involuntarily, shall constitute an additional event of default on the part of the Grantor.

RIVIERA MUNICIPAL UTILITY DISTRICT,
F/K/A RIVIERA WATER CONTROL AND
IMPROVEMENT DISTRICT

By: TOY ANNE
Its: PARSONS

ACKNOWLEDGMENT

STATE OF TEXAS
COUNTY OF KLEBERG

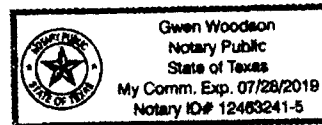
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On this 28th day of June, 2017, came on before me the undersigned notary public in and for the State of Texas, the person of Toby Graham, authorized representative of Riviera Municipal Utility District, f/k/a Riviera Water Control and Improvement District, known to me to be the person whose name is subscribed hereto and acknowledged to me that he/she executed the foregoing instrument in the capacities and for the purposes and consideration therein expressed.


Notary Public-State of Texas

PREPARED IN THE LAW OFFICE OF:

Michael James Krueger
Attorney at Law
Post Office Box 1538
Kingsville, Texas 78364-1538



AFTER RECORDING RETURN TO:

Mr. Gerald L. Gibson
178 S. County Road 1040
Kingsville, Texas 78363

ATTORNEY REPRESENTATION NOTICE

DATE: June 15, 2017

PROPERTY:

Tract I: Lots Eight (8), Nine (9), Ten (10) and the North 90.0' of Lot Eleven (11), Block Twenty Three (23), Riviera Townsite, according to map or plat of record in Vol. 1, Page 19, Envelope 10, Map and Plat Records of Kleberg County, Texas.

Tract II: A tract of land containing approximately .146 of an acre in the Townsite of Riviera out of the 100 foot-wide strip of land along the West line of the St. Louis, Brownsville & Mexico Railroad right of way, designated as being reserved for factory sites and other purposes on the map of said Riviera Townsite of record in the Map Records of Kleberg County, Texas, said tract hereby conveyed being described by metes and bounds as follows:

Beginning at the southeast corner of the south line of said Block 28, a distance of 103.1 feet to a point in the west line of the right-of-way of the St. Louis, Brownsville & Mexico Railroad for the northeast corner of this tract;

THENCE in a southeasterly direction along said west right-of-way line, a distance of 61.9 feet to a point for the southeast corner of this tract;

THENCE West along an easterly extension of the north line of Block Thirty-Seven (37) of the Townsite of Riviera, a distance of 103.1 feet to the northeast corner of said Block 37 and the southwest corner of this tract;

THENCE in a northwesterly direction, parallel to the west line of the St. Louis, Brownsville & Mexico Railroad Right-of-way, a distance of 61.9 feet to the place of beginning.

LENDER: Gerald L. Gibson

I. The Law Office of Michael James Krueger. The legal instruments in the above-referenced loan and real property transactions have been prepared for the

Page 1

Initialed for Identification:

above-named Lender by the Law Office of Michael James Krueger. The undersigned acknowledge that the law firm of Michael James Krueger has acted only as counsel to the Lender and has not, in any manner, undertaken to assist or render legal advice to the undersigned with respect to the loan or the Property which is being purchased, sold, improved, refinanced or additionally encumbered with the proceeds of the Loan, or with respect to any of the documents or instruments being executed in connection therewith. The undersigned further acknowledge that they are aware that they may retain their own counsel to advise them regarding the transaction and/or to review and render advice concerning any of the documents or instruments being executed in connection therewith.

II. UNDERSIGNED(S)' RESPONSIBILITY FOR PAYMENT OF FEES. As part of the obligation of the undersigned to pay the expenses of the Lender in connection with the preparation of the legal documentation, the undersigned agree to pay at loan closing the amount indicated on the Attorney Invoice directly to the law firm of Michael James Krueger for the account of Lender.

III. DESCRIPTION OF LEGAL SERVICES PERFORMED. The Law Office of Michael James Krueger may have prepared all or part of the following legal instruments affecting title to the Property; a deed (if required), Deed of Trust, Note, Mortgage and transfer of lien (if required). It is clearly understood by the undersigned that the Law Office of Michael James Krueger has not conducted a title search with regard to the Property and does not warrant the condition of title. It is also clearly understood by the undersigned that the Law Office of Michael James Krueger has not reviewed a survey to determine adequate access to the Property or any other matters that might be revealed from a close examination of same.

IV. BASIS FOR FEE. The document preparation fee charged by the law firm of Michael James Krueger is intended to provide fair compensation for the above-described services taking into consideration the time and labor required, the complexities of the questions involved, the skill required to perform said services and is based upon a transaction rather than an hourly basis. Other considerations include the expertise of the law office of Michael James Krueger in the complexities of the real estate practice, the necessary overhead associated with the rendering of the said services and the assumption of risk by the law firm of Michael James Krueger in the rendering of said services. No charge has been made for the preparation of any loan documentation other than the legal instruments affecting title to said property. Specifically, there has been no charge made for any disclosures required by the Real Estate Settlement and Procedure Act and Regulation X, or the Truth-In-Lending Act and Regulation Z.

Page 2

Initialed for Identification:

Each Borrower, Seller and/or Contractor hereby acknowledges receiving and reading a copy of this Notice, and by his signature affirms his acknowledgment of the accuracy of the above statements.



Gerald L. Gibson, Grantor/Lender

**RIVIERA MUNICIPAL UTILITY DISTRICT
(F/K/A RIVIERA WATER CONTROL AND
IMPROVEMENT DISTRICT)**

By: Tim Hall
Its: President

Grantee/Borrower

Page 3

Initialed for Identification: TH AK

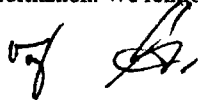
Kingsville Title Services

Privacy Policy

What kinds of information we collect. Most of Kingsville Title Service's business is title insurance. We collect information about you, (for instance, your name, address, telephone number), and information about your transaction, including the identity of the real property that you are buying or financing. We obtain a copy of any deeds, notes, or mortgages that are involved in the transaction. We may get this insurance companies then obtain information from the public records about the property so that we can prepare a title insurance policy. When we provide closing, escrow, or settlement services, mortgage additional information from third parties including appraisals, credit reports, land surveys, escrow account balances, and sometimes bank account numbers to facilitate the transaction. If you are concerned about the information we have collected, please write to us.

How we use this information. The company giving or specifically adopting this notice does not share your information with marketers. There's no need to tell us to keep your information to ourselves because we share your information only to provide the service requested by you or your lender, or in other ways permitted by law. The privacy laws permit some sharing without your approval. We may share internally and with nonaffiliated third parties in order to carry out and service your transaction, to protect against fraud or unauthorized transactions, for institutional risk control, and to provide information to government and law enforcement agencies. Credit information about you is shared only to facilitate your transaction of for some other purpose permitted by law.

How we protect your information. We restrict access to nonpublic personal information about you to those employees who need the information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with law to guard your nonpublic personal information. We reinforce the company's privacy policy with our employees.



KINGSVILLE TITLE SERVICES
115 North 7th Street, Kingsville, Texas
361.592.2301

NOTICE TO PURCHASER

Date: June 15th, 2017

The real property, described below, that you are about to purchase is located in the South Texas Water Authority District. The district has taxing authority separate from any other taxing authority and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the district on real property located in the district is \$.023220 on each \$100.00 of assessed valuation. The total amount of bonds which has been approved by the voters and which have been or may, at this date, be issued is \$52,000,000.00 and the aggregate initial principal amounts of all bonds issued for one or more of the specified facilities of the district and payable in whole or in part from property taxes is \$52,000,000.00.

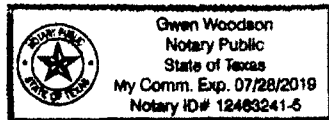
The district has the authority to adopt and impose a standby fee on property in the district that has water, sewer, sanitary or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The district may exercise the authority without holding an election on the matter. As of this date, the amount of the standby fee is \$0.00. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the district stating the amount, if any, of unpaid standby fees on a tract of property in the district.

The purpose of this district is to provide water, sewer, drainage, or flood control facilities and services within the district through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities is not included in the purchase price of your property, and these utilities facilities are owned or to be owned by the District.
The legal Description: See Attached "Exhibit A"

SELLERS:

Gerald L. Gibson
Gerald L. Gibson

This instrument was acknowledged before me on the 28th day of June, 2017 by
Gerald L. Gibson.



[Signature]
Notary Public, State of Texas

PG. 2 WDN

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

BUYERS:

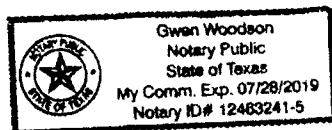
Riviera Water Control and Improvement District

By: Toby Yakin

Printed Name: TOBY YAKIN

Title: PRESIDENT

This instrument was acknowledged before me on the 28th day of June, 2017 by Toby Yakin the President of Riviera Water Control and Improvement District.



[Signature]
Notary Public, State of Texas

TAX INFORMATION DISCLOSURE

GF # 1520802

X 2016 taxes were paid or collected at closing based on the actual bill for 2016.

2017 taxes were prorated at closing based on tax rates and values for 2016 which is the best information available at this time. If seller or purchaser feels adjustment should be made it will be the responsibility of the seller and purchaser to make said adjustment.

_____ A HOMESTEAD exemption exists on this property, and will be removed on December 31, 2017. Purchaser must qualify and file for the exemption at the office of the Nueces County Appraisal District, between January 1 and March 31, 2017.

_____ An OVER 65 exemption exists on this property, and COULD be removed on the day Purchaser's deed is recorded unless Purchaser qualifies and files for the exemption at the office of the Nueces County Appraisal District.

_____ A DISABLED VETERAN exemption exists on this property and COULD be removed on the day Purchaser's deed is recorded unless Purchaser qualifies and files for the exemption at the office of the Kleberg County Appraisal District, 502 E. Kleberg, Kingsville, Texas.

_____ A special valuation for agricultural and/or timber exists on this property, thereby reducing said property tax and IS SUBJECT TO ROLLBACK. PURCHASER MUST VISIT THE APPRAISAL DISTRICT OFFICE FOR INFORMATION ON AG VALUE AND ROLLBACK.

_____ There is a shortage in the acreage or square footage on the tax roll as compared with the legal description of the property being purchased. This could result in current and/or previous year's taxes being SUPPLEMENTED.

_____ The tract(s) of land being purchased is/are out of a larger tract of land which has not been split out for the present year, and tax prorations are based on ESTIMATES ONLY. PURCHASER MUST VISIT THE APPRAISAL DISTRICT OFFICE TO CORRECT THIS SITUATION.

Purchaser and Seller have agreed not to prorate taxes for the current year.
PURCHASER WILL BE RESPONSIBLE FOR THE TOTAL TAX BILL FOR 2017.

X 6. IT IS PURCHASER'S RESPONSIBILITY TO INFORM THE APPRAISAL DISTRICT OF THE TRANSFER OF OWNERSHIP SO THAT THE TAX BILL WILL BE SENT TO THE PROPER PARTY. IF THE TAX BILL IS NOT RECEIVED BY OCTOBER 10, 2017 PURCHASER SHOULD CALL THE TAX OFFICE TO REQUEST THAT A DUPLICATE BILL BE MAILED TO THEM. NOT RECEIVING THE BILL DOES NOT PREVENT PENALTY AND INTEREST FROM BEING ASSESSED IF THE TAXES ARE NOT PAID ON TIME, SAID PENALTY AND INTEREST WILL BE PURCHASER'S RESPONSIBILITY.

Purchaser and Seller agree to hold **Kingsville Title Services** harmless as to all issues disclosed above. It is agreed and understood that if, for any of the above reasons, the proper amount of taxes are not collected at closing or the proper amount of taxes are not prorated, **Kingsville Title Services** retains the right to issue its policy of title insurance subject to any taxes due.

BUYERS:

Riviera Water Control and Improvement District

By: T. of Appl.

Printed Name: TONY YAKLIV

Title: PRESIDENT

SELLERS:

Gerald L. Gibson
Gerald L. Gibson

TX Title Company Disclosure for Residential Closings 1995

**LAST CLOSING DOCUMENT TO BE EXECUTED
TITLE COMPANY DISCLOSURES -**

GUARANTY FILE No. 1520802

SELLER (whether one or more): Gerald L. Gibson

BUYER (whether one or more): Riviera Water Control and Improvement District

LENDER: Gerald L. Gibson

PROPERTY: Tract I: Lots Eight (8), Nine (9), Ten (10) and the North 90.0' of Lot Eleven (11), Block Twenty Three (23), Riviera Townsite, according to map or plat of record in Vol. 1, Page 19, Envelope 10, Map and Plat Records of Kleberg County, Texas.

Tract II: A tract of land containing approximately .146 of an acre in the Townsite of Riviera out of the 100 foot-wide strip of land along the West line of the St. Louis, Brownsville & Mexico Railroad right of way, designated as being reserved for factory sites and other purposes on the map of said Riviera Townsite of record in the Map Records of Kleberg County, Texas, said tract hereby conveyed being described by metes and bounds as follows:

Beginning at the southeast corner of the south line of said Block 28, a distance of 103.1 feet to a point in the west line of the right -of- way of the St. Louis, Brownsville & Mexico Railroad for the northeast corner of this tract;

THENCE in a southeasterly direction along said west right -of- way line, a distance of 61.9 feet to a point for the southeast corner of this tract;

THENCE West along an easterly extension of the north line of Block Thirty-Seven (37) of the Townsite of Riviera, a distance of 103.1 feet to the northeast corner of said Block 37 and the southwest corner of this tract;

THENCE in a northwesterly direction, parallel to the west line of the St. Louis, Brownsville & Mexico Railroad Right- of- way, a distance of 61.9 feet to the place of beginning.

By initialing some or all of the following items as may be appropriate for this transaction, each SELLER and/or BUYER acknowledges its understanding of the disclosures being made by KINGSVILLE TITLE SERVICES (hereinafter called "TITLE COMPANY"). Each disclosure is being made to Buyer and Seller on behalf of both TITLE COMPANY and its title insurance underwriter.

1) **WAIVER OF INSPECTION.** In consideration of the issuance by TITLE COMPANY to BUYER of a Texas Residential Owner Policy of Title Insurance (in this document such policy is referred to as the "Owner Title Policy") insuring good and indefeasible title to the Property, except as to be shown in Schedule B of the Owner Title Policy and subject to the terms and conditions of such Owner Title Policy, BUYER hereby waives any obligation on the part of TITLE COMPANY to inspect the Property.

BUYER agrees to accept an Owner Title Policy containing the Schedule B exception for **"RIGHTS OF PARTIES IN POSSESSION"**. "Rights of Parties in Possession" shall mean one or more persons or entities who are themselves actually physically occupying the property or a portion thereof under a claim or right adverse to the insured owner of the Property as shown on Schedule A of the Owner Title Policy.

"Possession includes open acts or visible evidence of occupancy and may include any visible and apparent roadway or easement on or across all or any part of the Property (but this exception does not extend to any right, claim or interest evidenced by a document recorded in the real estate records maintained by the County Clerk of the county in which all or a part of Property is located).

Buyer assumes full responsibility for obtaining possession from the Property's present occupants.

However, if the BUYER does not initial this paragraph, the BUYER is indicating the BUYER'S refusal to accept an Owner Title Policy containing an exception as to "RIGHTS OF PARTIES IN POSSESSION". TITLE COMPANY may then require an inspection of the property and additional charges may be assessed for the reasonable and actual costs of such an inspection. TITLE COMPANY may make additional exceptions in Schedule B of the Owner Title Policy for matters revealed by such inspection.

✓ Buyer's Initials ry

2) **RECEIPT OF COMMITMENT.** BUYER acknowledges having received a copy of the Commitment for Title Insurance issued in connection with the above referenced transaction and any copies of the documents described therein requested by BUYER.

✓ Buyer's Initials ry

3) **A. NO SURVEY COVERAGE.** BUYER understands that the Owner Title Policy to be issued to BUYER will not provide title insurance coverage against any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.

The TITLE COMPANY may provide this coverage (except for "Shortages in Area") upon being supplied with survey acceptable to the TITLE COMPANY and the payment of an additional premium equal to 15% of the basic premium charge. The TITLE COMPANY may make additional exceptions for those items shown on the survey

BUYER DECLINES TO OBTAIN THIS ADDITIONAL COVERAGE.

IF BUYER WISHES TO OBTAIN THIS COVERAGE AND PAY THE ADDITIONAL 15% PREMIUM, BUYER IS REQUIRED TO CROSS-OUT THIS PARAGRAPH 3A.

✓ Buyer's Initials ry

B. ACCEPTANCE OF SURVEY. BUYER has received and reviewed a copy of the survey of the Property made in connection with this transaction and acknowledges being aware of the following matters disclosed by the survey:

✓ Buyer's Initials ry

C. OTHER SURVEY MATTERS. The TITLE COMPANY has not attempted to determine if the Property lies in a special flood hazard area. The TITLE COMPANY has not made any representation concerning proximity of the Property in relation to any flood-plain or flood hazard area. BUYER is advised that information concerning special flood hazard areas may be available from county or municipal offices, a qualified surveyor or land-engineering company, or a private flood-plain consultant.

✓ Buyer's Initials TF

4) **PROPERTY TAX PRORATIONS.** Property taxes for the current year have been prorated between BUYER and SELLER, who each acknowledge and understand that these prorations are based upon (a) the sales price or the most current appraised value available and the most current tax rate available or (b) some other common method of estimation. SELLER warrants and represents that there are no past due taxes owed on the Property and if such warranty and representation is untrue, the SELLER shall reimburse TITLE COMPANY, on demand, for any sums paid by the TITLE COMPANY to pay such taxes, and any related penalty and interest.

BUYER and SELLER each agree that, when amounts of the current year's taxes become known and payable (on or about October 1st), they will adjust any changes of the proration and reimbursement between themselves and that TITLE COMPANY shall have no liability or obligation with respect to these prorations.

✓ Buyer's Initials TF Seller's Initials AS X

5) **TAX RENDITION AND EXEMPTIONS.** Although the Central Appraisal District (CAD) may independently determine BUYER'S new ownership and billing address, BUYER is still obligated by law to "render" the Property for taxation by notifying the CAD of the change in the Property's ownership and of BUYER'S proper address for tax billing. BUYER is advised that current year's taxes may have been assessed on the basis of various exemptions obtained by SELLER (e.g., homestead or over-65).

It is the BUYER'S responsibility to qualify for BUYER'S own tax exemptions and to meet any requirements prescribed by the taxing authorities. BUYER acknowledges and understands these obligations and the fact that TITLE COMPANY assumes no responsibility for future accuracy of CAD records concerning ownership, tax-billing address, or status of exemptions.

✓ Buyer's Initials TF

6) **HOMEOWNER'S ASSOCIATION.** BUYER acknowledges that ownership of the Property involves membership in a Homeowner's, Condominium or other Property Owner's Association (Association), to which monthly or annual dues or assessments may be owed. These dues or assessments may be enforceable by a lien against the Property. BUYER understands that the Association (or its managing agent) should be contacted by BUYER immediately to ascertain the exact amount of future dues or assessments.

TITLE COMPANY has made no representations with respect to such Association's annual budget, pending repairs or deferred maintenance, if any, or other debts of the Association. BUYER accepts sole responsibility to obtain such information and verify its accuracy to BUYER'S satisfaction.

Buyer's Initials [Signature]

7) **IRS REPORTING.** SELLER acknowledges having received at closing a copy of the HUD-1 Settlement Statement as a Substitute Form 1099-S. In accordance with federal tax regulations, information from the HUD-1 Statement will be furnished to the Internal Revenue Service.

Seller's Initials *LS* X

8) **CLOSING DISCLAIMER.** SELLER and BUYER each acknowledge and understands that the above referenced transaction has not yet "closed". At this time, any change in possession of the Property takes place AT BUYER'S AND SELLER'S OWN RISK.

BUYER and SELLER also recognize that neither TITLE COMPANY nor its title insurance underwriter is under any obligation to defend possession of the Property. The Owner Title Policy issued in connection with this transaction will except from coverage any relevant documents discovered during the final downdate search of the public records.

✓ Buyer's Initials *ry* Seller's Initials *LS* X

9) **ERRORS AND OMISSIONS.** In the event that any of the documents prepared in connection with the closing of this transaction contain errors which misstate or inaccurately reflect the true and correct terms, conditions and provisions of this closing, and the inaccuracy or misstatement is due to a clerical error or to a unilateral mistake on the part of the TITLE COMPANY, or to a mutual mistake on the part of the TITLE COMPANY and/or the SELLER and/or the BUYER, the undersigned agree to execute, in a timely manner, such correction documents as TITLE COMPANY may deem necessary to remedy such inaccuracy or misstatement.

✓ Buyer's Initials *ry* Seller's Initials *LS* X

10) **EXPLANATION OF OWNER TITLE POLICY.** Neither the Commitment for Title Insurance nor the Owner Title Policy are abstracts of title, title reports or representations of title and should not be relied upon as such and that, although documents have been signed, money collected and/or disbursed, a final downdate search may be made which could result in an Owner Title Policy not being issued. No representation is made that the BUYER'S intended use of the Property is allowed under law or under the restrictions or exceptions affecting the Property.

✓ Buyer's Initials *ry*

11) **REPRESENTATIONS.** In connection with the purchase of the Property, the BUYER acknowledges and represents that the Title Company Disclosures have been executed by the borrower and/or seller, respectively, and except as listed below, have not made any other representations.

✓ Buyer's Initials *ry* Seller's Initials *LS*

(TO BE COMPLETED IN BUYER'S OWN HANDWRITING)

Date: *June 28th* , 2017.

Gerald L. Gibson
Gerald L. Gibson

Riviera Water Control and Improvement
District

By: Toby Yackey

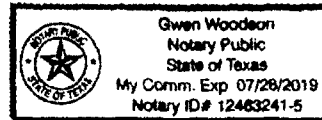
Printed Name: TOBY YACKEY

Title: PRESIDENT

State of Texas
County of Kleberg

Sworn to and subscribed before me the undersigned authority by
Toby Yackey President of Riviera Water
Control and Improvement District, on this the 15th day of June, 2017.

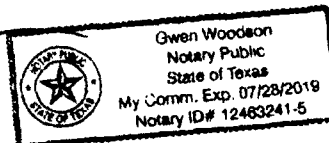
[Signature]
Notary Public in and for
the State of Texas



State of Texas
County of Kleberg

Sworn to and subscribed before me the undersigned authority by Gerald L. Gibson, on this the 15th
day of June, 2017.

[Signature]
Notary Public in and for
the State of Texas



28th

WAIVER OF INSPECTION

June 15, 2017

Kingsville Title Services
115 North 7th Street
Kingsville, TX 78363

RE: Owner's Title Policy of Insurance
Your GF# 1520802

Gentlemen:

We agree that the Owner's Title Policy you are to issue covering

Tract I: Lots Eight (8), Nine (9), Ten (10) and the North 90.0' of Lot Eleven (11), Block Twenty Three (23), Riviera Townsite, according to map or plat of record in Vol. 1, Page 19, Envelope 10, Map and Plat Records of Kleberg County, Texas.

Tract II: A tract of land containing approximately .146 of an acre in the Townsite of Riviera out of the 100 foot-wide strip of land along the West line of the St. Louis, Brownsville & Mexico Railroad right of way, designated as being reserved for factory sites and other purposes on the map of said Riviera Townsite of record in the Map Records of Kleberg County, Texas, said tract hereby conveyed being described by metes and bounds as follows:

Beginning at the southeast corner of the south line of said Block 28, a distance of 103.1 feet to a point in the west line of the right -of- way of the St. Louis, Brownsville & Mexico Railroad for the northeast corner of this tract;

THENCE in a southeasterly direction along said west right -of- way line, a distance of 61.9 feet to a point for the southeast corner of this tract;

THENCE West along an easterly extension of the north line of Block Thirty-Seven (37) of the Townsite of Riviera, a distance of 103.1 feet to the northeast corner of said Block 37 and the southwest corner of this tract;

THENCE in a northwesterly direction, parallel to the west line of the St. Louis, Brownsville & Mexico Railroad Right- of- way, a distance of 61.9 feet to the place of beginning.

will be on the usual Texas form which contains the following printed exceptions:

1. Restrictive covenants affecting the land described or referred to above.
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments, or any overlapping of improvements.
3. Standby fees and taxes for the year 2017, and subsequent years, and subsequent assessments for prior years due to change in land usage or ownership, and that the policy to be issued on this particular transaction will contain the following special exceptions:
4. Lien or liens created or assumed in conjunction with this transaction, if any.
5. Rights of parties in possession.

Since Kingsville Title Services examines only the record title and does not actually see the property, we hereby waive inspection by Kingsville Title Services of this property and accept our policy subject to the rights of parties in possession. We agree that it is our responsibility to inspect said premises and to obtain possession of it from the present occupants, if any.

We acknowledge we are not relying upon any representation, statement or other assertion about the property condition or parties in possession, but are relying upon our inspection of the property. We take the property under the express understanding that the title insurance agent and title insurance company have made no express or implied warranties. We understand the title insurance agent and title insurance company have determined the insurability of title solely for their own benefit.

Very truly yours,

**Riviera Water Control and Improvement
District**

By: Tony Ydkiu

Printed Name: TONY YDKIU

Title: President