

Exhibit “A-1”

**LEASE AGREEMENT
IQ MANAGEMENT L.P. &
WINNIE STOWELL HOSPITAL DISTRICT**

THIS LEASE is made between IQ Management L.P., hereafter called "Lessor", whose address for purposes of notice under this lease is [* _____*], and Winnie Stowell Hospital District, a political subdivision of the State of Texas, hereafter called "Lessee" or "District", whose address for purposes of notice under this lease is P.O. Box 1997, Winnie, Texas 77665. The parties make this agreement (hereafter referred to as "Agreement") as follows:

1. AGREEMENT TO LEASE:

The Lessor leases to the Lessee, and the Lessee rents from the Lessor, real property for the purpose of installing a parking lot, pad site, and 25'x 56' modular building to be used as the Lessee's principle place of business. The property subject to this lease ("Leased Property") is described as follows:

Being that certain 0.771 Acre Tract situated in the Reserved Area East of abandon Railway, Town of Winnie, Winnie Suburbs Subdivision, Jas Hoggatt League, A-14, Chambers County, Texas, a plat of said Subdivision recorded in A-21 of the Map Records of Chambers County, Texas and being a part of that certain IQ Management LP 9.946 Acre Tract as recorded in File #101442 of the Official Public Records of Chambers County, Texas and being more particularly described by metes and bounds as follows:

Beginning at the Northwest corner of said IQ Management LP 9.946 Acre Tract, marked by ½" Rod/cap situated at the intersection of the South right-of-way line State Highway F.M. #1406 (based on 80 feet width) with the East right-of-way line of Humble Road (county maintained asphalt topping) and the Northwest corner of tract here- in described and Place of Beginning;

Then, North 89°46'50" East, with the North line of said IQ Management LP 9.946 Acre Tract and the South right-of-way line of said State Highway F.M. 1406, a distance of 225.19 feet to ½ " Rod/cap set for the Northeast corner of tract here-in described;

Then, South 00°21'41" East, an extension of the most Southerly West line of said IQ Management LP 9.946 Acre Tract, a distance of 149.98 feet to ½" Rod/cap found at an interior corner of said IQ Management 9.946 Acre Tract and the Northeast corner of that certain R.L. Hutching et ux 2.00 Acre Tract and Southeast corner of tract here-in described;

The, South 89°46'15" West, with the most Northerly South line of said IGQ Management LP 9.946 Acre Tract and the North line of that certain R.L. Hutching et ux 2.00 Acre Tract, a distance of 222.90 feet to 1/2" Rod/cap found for the most Northerly Southwest corner of said IQ Management LP 9.946 Acre Tract and the Northwest Corner of said R.L. Hutching et ux 2.00 Acre Tract situated in the East right-of-way line of said Humble Road and the Southwest corner of tract here-in described;

Then North 01°14'10" West, with the West line of said IQ Management LP 9.946 Acre Tract and with the East right-of-way line of said Humble Road, a distance of 150.00 feet to Place of Beginning enclosing a tract of land containing 0.771 Acres more or less.

See **Exhibit A for Description and Survey**

2. TERMS OF LEASE.

The term of the lease is as follows: The term of this lease shall be a period of five (5) years, commencing on January 1, 2020, and ending at midnight on December 31, 2024. Provided, however, that the Lessee shall have the right to renew this lease for an additional term of five (5) years, on like terms and conditions, by delivering a written notice of intention to renew lease to Lessor no later than ninety (90) days from the end of the term.

3. RENTAL.

- a. Lessee shall pay to Lessor as rent at the address set forth above, or at any other address that Lessor may designate, the minimum annual rent of \$4,080.00 in lawful money of the United States of America.
- b. The minimum annual rent is determined by multiplying the fair market value of the leased property and multiplying by 6%. The fair market value of the property is \$68,000.00 according to the Appraisal received by the Lessee. (See **Exhibit "B"-Property Appraisal**).
- c. The minimum annual rent shall be payable in monthly installments of \$340.00 and shall be paid in advance on the first day of each calendar month during the term of this lease and any renewal of it.
- d. All payments due from Lessee to Lessor under the terms of this lease, including but not limited to monthly rental payments, shall be paid promptly when due to Lessor at the place Lessor designates in writing. If any payment is not received by Lessor by midnight on the 10th day following the day on which the payment is due, a late fee equal to 10% of the delinquent payment shall be due from Lessee

to Lessor as additional rent.

- e. The first month's rent and the last month's rent shall be paid when this lease is signed.
- f. The parties agree that in the event the lease is renewed for a second five (5) year term, the Lessee shall have the property re-appraised and the rent value adjusted according to the appraisal value at that time applied to the minimum annual rent formula set forth in Section 3(b) above.

4. TAXES.

Lessor shall be responsible for all municipal, county, or state taxes assessed during the term of this lease on the leased real property. Lessee agrees to pay any taxes levied against the personal property and trade fixtures of the Lessee in and about the premises, provided, however, that if any such taxes of Lessee are levied against Lessor or Lessor's property or if the assessed value of Lessor's property is increased by the inclusion of the value placed on Lessee's property and Lessor pays those taxes, Lessee, on demand, shall reimburse Lessor for all taxes actually paid on Lessee's behalf.

5. SECURITY DEPOSIT.

Concurrent with the execution of this lease, Lessee has deposited with Lessor the sum of \$[* _____*], the receipt of which is acknowledged by Lessor. This sum shall be retained by Lessor as security for performance under the lease. If at any time Lessee defaults in any provision of this lease, Lessor will have the right to use the deposit or as much of it as may be necessary to pay any rent in default, any expense incurred by Lessor in curing any default by Lessee, or any damages incurred by Lessor by reason of Lessee's default. Lessor, however, may retain the deposit at its option in liquidation of the damages it suffers by reason of Lessee's default. If the deposit is not used for any such purpose, it shall be refunded to Lessee on the expiration of this lease. Lessee will not be entitled to interest on the security deposit.

6. SUBORDINATION.

This lease and all rights of Lessee under it are and shall be subject to and subordinate to the rights of any mortgage holder now or hereafter having a security interest in the leased premises or any other encumbrances Lessor desires to place on the property.

7. LESSEE'S COVENANTS.

Lessee further covenants and agrees as follows:

- a. To pay the rent and every installment of it when it comes due; to use the premises in a careful and proper manner for the express purpose of operating a principle

place of business for District business; to commit or permit no waste or damages to the premises; to conduct or permit no business or act that is a nuisance or may be in violation of any federal, state, or local law or ordinance; to surrender the premises on expiration or termination of this lease in clean condition and good repair, normal wear and tear excepted. In addition, the parties agree that all alterations, additions, real property, buildings, and improvements permanently attached and made by Lessee, its successors, sublessees, and assigns shall remain the property of Lessee on the termination of Lessee's use of the premises.

- b. To pay all costs of fuel, electricity, garbage, telephone, and all other utilities used on the premises. All those amounts shall be paid within 10 days of becoming due.
- c. To prohibit and refrain from engaging or in allowing any use of leased premises that will increase Lessor's premiums for insurance on the building without the express written consent of Lessor.
- d. To perform, at Lessee's expense, all maintenance and repairs required to keep the real property subject to this Agreement and the Lessee's modular building in a presentable and good operating condition during the term of this lease and any renewal term.
- e. To receive written consent of Lessor prior to making alterations in or additions or improvements to the property, including, but not limited, to the location and installation of a parking lot and modular building selected to serve as Lessee's principal place of business. In addition, Lessee agrees to obtain the written consent of the Lessor before installing any advertisements of its business on the premises. Likewise, Lessee agrees to maintain any alterations, additions, or improvements in or to the premises in a manner that is satisfactory to Lessor.

8. LESSOR'S COVENANTS.

Lessor covenants and agrees as follows:

- a. To warrant and defend Lessee in the enjoyment and peaceful possession of the premises during the aforesaid term.
- b. If the premises are rendered untenable due to flood, fire, or other natural disaster, either party will have the right to terminate this lease by written notice to the other. In the event of such termination, the rent shall be paid only to the date of the damage. If the lease is not terminated, rent nevertheless shall be abated during the period of time from the date of damage to the date of physical

occupancy by Lessee or date of complete restoration, whichever occurs first.

9. TERMINATION AND DEFAULT PROVISIONS

- a. Notwithstanding any provision in this Agreement, Lessor reserves the right to terminate this Agreement at any time by giving sixty (60) days' written notice if it is determined that the Lessor is going to utilize the Leased Property. In the event Lessor gives notice of the intent to terminate the lease so that Lessor may utilize the Leased Property, Lessor agrees to relocate, at Lessor's expense, the Lessee to a mutually agreeable location. Lessor's relocation costs shall include, among other things: 1) moving Lessee's facility; 2) preparing a parking lot and slab site for the Lessor's modular building in a like manner as the Leased Property; 3) relocating the Lessee's modular building; and 4) re-connecting the modular building to utilities.
- b. Notwithstanding any provision in this Agreement, Lessee reserves the right to terminate this Agreement at any time by giving sixty (60) days' written notice if the governing board of the Lessee decides that there is another location that is better suited to facilitate the Lessee's statutory purposes. In the event that Lessee terminates the lease to relocate, the Lessee agrees to bear the cost to return the Leased Property to its original condition if requested by Lessor.
- c. Either party may terminate this agreement in the event of breach of this lease and the breaching party fails to cure the default after receiving thirty (30) days' notice. If either party fails to cure the default, the defaulting party is subject to the provisions set forth in Section 9(a) or (b) depending on who defaults.
- d. If any rent required by this lease is not paid when due, Lessor will have the option to terminate this lease, resume possession of the property, and recover immediately from Lessee the difference between the rent specified in the lease and the Lessee agrees to pay to return the Leased Property to its original condition if requested by Lessor.

10. INSOLVENCY, BANKRUPTCY, ETC., OF LESSEE.

If Lessee is declared insolvent or adjudicated as bankrupt; if Lessee makes an assignment for the benefit of creditors; if Lessee's leasehold interest is sold under execution or by a trustee in bankruptcy; or if a receiver is appointed for Lessee, Lessor, without prejudice to its rights hereunder and at its option, may terminate this lease and retake possession of the premises immediately and without notice to Lessee or any assignee, transferee, trustee, or any other person or persons, using force if necessary.

11. INDEMNITY.

TO THE EXTENT ALLOWED BY THE LAWS OF THE STATE OF TEXAS, LESSEE AGREES TO INDEMNIFY AND HOLD HARMLESS LESSOR AND THE LEASED PREMISES FROM ALL COSTS, LOSSES, DAMAGES, LIABILITIES, EXPENSES, PENALTIES, AND FINES WHATSOEVER THAT MAY ARISE OUT OF THE PERFORMANCE, FAILURE TO PERFORM OR BREACH OF ANY OF THE LESSEE'S OBLIGATIONS UNDER THIS LEASE OR THAT MAY ARISE BECAUSE OF ANY REPAIRS, ALTERATIONS, ADDITIONS, OR IMPROVEMENTS MADE TO THE PROPERTY BY LESSEE.

12. INSURANCE

Lessee agrees to maintain at all times during the lease term, at Lessee's cost, a comprehensive public liability insurance policy protecting Lessor, as an additional insured, against all claims or demands that may arise or be claimed on account of Lessee's use of the premises, in an amount of at least \$[* _____*] for injuries to persons in one accident, \$[* _____*] for injuries to any one person, and \$[* _____*] for damages to property. The insurance shall be written by a company or companies acceptable to Lessor, authorized to engage in the business of general liability insurance in the state of Texas. Lessee shall deliver to Lessor annual certificates demonstrating that insurance is paid up and copies of the insurance policies issued by the insurance companies. Lessee further agrees to maintain at all times during the lease term, at Lessee's cost, broad-coverage fire and casualty insurance on its property (including inventory) and to provide Lessor with a copy of the policy and a certificate issued by the insurance company demonstrating that insurance is paid up. At its option, Lessor may request Lessee to obtain a certified statement by each insurance carrier containing a clause providing that the insurance carrier will give Lessor 30 days' written notice before any cancellation shall be effective. The insurance policies shall be provided by Lessee and shall be for a period of at least one year. If Lessee fails to furnish policies or certificates showing policies to be paid in full as provided in this lease, Lessor may obtain the insurance, and the premiums on that insurance will be deemed additional rental to be paid by Lessee to Lessor on demand.

13. LESSOR TO HAVE LIEN.

Lessor will have a lien against all goods, equipment, furniture, and other personal property of Lessee brought, stored, or kept on the leased premises during the lease term, in the aggregate amount of all rent, damages, and other sums that may at any time be owed by Lessee to Lessor under the lease. In the event of any default by Lessee, Lessor may foreclose the lien in the same manner that a mortgage would be foreclosed, and, in that event, Lessee shall be

obligated for all court costs and reasonable attorneys' fees.

14. ELECTION BY LESSOR NOT EXCLUSIVE.

The exercise by Lessor of any right or remedy to collect rent or enforce its rights under this lease will not be a waiver or preclude the exercise of any other right or remedy afforded Lessor by this lease Agreement or by statute or law. The failure of Lessor in one or more instances to insist on strict performance or observations of one or more of the covenants or conditions of this lease or to exercise any remedy, privilege, or option conferred by this lease on or reserved to Lessor shall not operate or be construed as a relinquishment or future waiver of the covenant or condition or the right to enforce it or to exercise that remedy, privilege, or option; that right shall continue in full force and effect. The receipt by Lessor of rent or any other payment or part of payment required to be made by the Lessee shall not act to waive any other additional rent or payment then due. Even with the knowledge of the breach of any covenant or condition of this lease, receipt will not operate as or be deemed to be a waiver of this breach, and no waiver by Lessor of any of the provisions of this lease, or any of Lessor's rights, remedies, privileges, or options under this lease, will be deemed to have been made unless made by Lessor in writing.

15. SURRENDER AND ASSIGNMENT OF LEASE

No surrender of the premises for the remainder of the term of this lease will be valid unless accepted by Lessor in writing. Lessee will not assign or sublet this lease without Lessor's prior written consent. No assignment or sublease will relieve the assignor or sublessor of any obligation under this lease. Each assignee or sublessee, by assuming such status, will become obligated to perform every agreement of this lease to be performed by Lessee, except that a sublessee shall be obligated to perform such agreements only insofar as they relate to the subleased part of the property and the rent required by the sublease. Sublessee will be obligated to pay rent directly to Lessor only after Sublessor's default in payment and/or written demand from Lessor to Sublessee to pay rent directly to Lessor.

16. ADDRESSES FOR PAYMENTS AND NOTICES.

Rent payments and notices to Lessor shall be mailed or delivered to the address set forth on the first page of this lease, unless Lessor advises Lessee differently in writing.

Notices to Lessee may be mailed or delivered to the leased premises, and proof of mailing or posting of those notices to the leased premises will be deemed the equivalent of personal service on Lessee. All notices to either party shall be sent by certified or registered mail, return receipt requested.

17. CAPTIONS.

The captions and paragraphs or letters appearing in this lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of the sections or articles of this lease or affect this lease in any way.

18. TEXAS LAW.

This lease will be governed by the laws of the state of Texas, as to both interpretations and performance.

19. ENTIRE AGREEMENT.

This lease sets forth all the promises, agreements, conditions, and understandings between Lessor and Lessee relative to the leased premises. There are no other promises, agreements, conditions, or understandings, either oral or written, between them. No subsequent alteration, amendment, change, or addition to this lease will be binding on Lessor or Lessee unless in writing and signed by them and made a part of this lease by direct reference.

20. TERMS INCLUSIVE.

As used herein, the terms "Lessor" and "Lessee" include the plural whenever the context requires or admits.

21. REPRESENTATIVES BOUND HEREBY.

The terms of this lease will be binding on the respective successors, representatives, and assigns of the parties.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this lease Agreement on [*_____*].

Mr. Edward Murrell
President
Winnie Stowell Hospital District

Mr. Tahir Javed
Chief Executive Officer
IQ Management L.P.

Exhibit “A”

HENRY SURVEY COMPANY

Land and Agriculture

P.O. Box 304

Winnie, Texas

Field Notes

7 Oct 2019

Being that certain 0.771 Acre Tract situated in the Reserved Area East of abandon Railway, Town of Winnie, Winnie Suburbs Subdivision, Jas Hoggatt League, A-14, Chambers County, Texas, a plat of said Subdivision recorded in A-21 of the Map Records of Chambers County, Texas and being a part of that certain IQ Management LP 9.946 Acre Tract as recorded in File #101442 of the Official Public Records of Chambers County, Texas and being more particularly described by metes and bounds as follows:

Beginning at the Northwest corner of said IQ Management LP 9.946 Acre Tract, marked by ½” Rod/cap situated at the intersection of the South right-of-way line State Highway F.M. #146 (based on 80 feet width) with the East right-of-way line of Humble Road (county maintained asphalt topping) and the Northwest corner of tract here-in described and Place of Beginning;

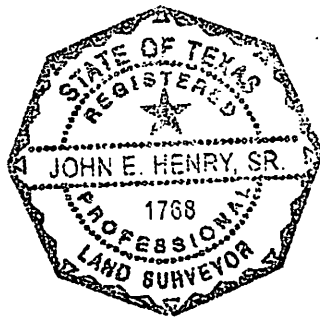
Then, North 89°46’50” East, with the North line of said IQ Management LP 9.946 Acre Tract and the South right-of-way line of said State Highway F.M. 1406, a distance of 225.19 feet to ½ “ Rod/cap set for the Northeast corner of tract here-in described;

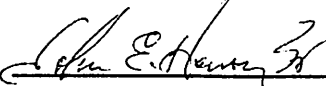
Then, South 00°21’41” East, an extension of the most Southerly West line of said IQ Management LP 9.946 Acre Tract, a distance of 149.98 feet to ½” Rod/cap found at an interior corner of said IQ Management 9.946 Acre Tract and the Northeast corner of that certain R.L.

Hutching et ux 2.00 Acre Tract and Southeast corner of tract here-in described;

Then, South 89°46'50" West, with the most Northerly South line of said IQ Management LP 9.946 Acre Tract and the North line of that certain R.L. Hutching et ux 2.00 Acre Tract, a distance of 222.90 feet to ½" Rod/cap found for most Northerly Southwest corner of said IQ Management LP 9.946 Acre Tract and the Northwest corner of said R.L. Hutching et ux 2.00 Acre Tract situated in the East right-of-way line of said Humble Road and the Southwest corner of tract here-in described;

Then, North 01°14'10" West, with the West line of said IQ Management LP 9.946 Acre Tract and with the East right-of-way line of said Humble Road, a distance of 150.00 feet to Place of Beginning enclosing a tract of land containing 0.771 Acres more or less.




John E. Henry Sr.
Prof. Land Surveyor
REG. No. 1768

STATEMENT

Henry Survey Company

P.O. BOX 304 • WINNIE, TEXAS 77665 • PHONE (409) 296-4247

RECEIVED

OCT - 8 2019

TO:

7 Oct 2019

Property Survey of 0.771 Acre Tract situated in BLK-81,
Winnie Suburbs Subdivision, Las Hogueta Lge, A14,
CHAMBERS COUNTY, TEXAS

650⁰⁰

(8 1/2% Ad Val Tax)
(Exempted)

Frank
Sed

Exhibit “A-2”

APPRAISAL OF REAL PROPERTY



LOCATED AT

0000 BROADWAY AVE.
WINNIE, TX 77665
.771 ACRES, MORE OR LESS, PART OF 9.946 ACRES 14-81-1A WINNIE SUBURBS

FOR

BENCKENSTEIN & OXFORD L.L.P.
3535 CALDER AVE.
BEAUMONT, TX 77706

OPINION OF VALUE

68,000

AS OF

11/04/2019

BY

JOSEPH L RAMEY II
HALL APPRAISERS, INC.
1102 LONGFELLOW, SUITE D
BEAUMONT, TX 77706
(409) 892-3186 x104
hall@hallappraisersinc.com

HALL APPRAISAL COMPANY
LAND APPRAISAL REPORT

WSHD
 File No. 31061JR

SUBJECT

Borrower N/A Census Tract 7104.01 Map Reference 26420
 Property Address 0000 BROADWAY AVE.
 City WINNIE County CHAMBERS State TX Zip Code 77665
 Legal Description .771 ACRES, MORE OR LESS, PART OF 9.946 ACRES 14-81-1A WINNIE SUBURBS
 Sale Price \$ N/A Date of Sale N/A Loan Term N/A yrs. Property Rights Appraised Fee Leasehold De Minimis PUD
 Actual Real Estate Taxes \$ 108 (yr) Loan charges to be paid by seller \$ N/A Other sales concessions N/A
 Lender/Client BENCKENSTEIN & OXFORD L.L.P. Address 3535 CALDER AVE., BEAUMONT, TX 77706
 Occupant VACANT Appraiser JOSEPH L RAMEY II Instructions to Appraiser ESTIMATE MARKET VALUE

NEIGHBORHOOD

Location Urban Suburban Rural
 Built Up Over 75% 25% to 75% Under 25%
 Growth Rate Fully Dev. Rapid Steady Slow
 Property Values Increasing Stable Declining
 Demand/Supply Shortage In Balance Oversupply
 Marketing Time Under 3 Mos. 4-6 Mos. Over 6 Mos.
 Present 40 % One-Unit 10 % 2-4 Unit 50 % Condo 5 % Apts. 5 % Vacant
 Land Use Industrial Vacant
 Change in Present Land Use Not Likely Likely (*) Taking Place (*)
 Predominant Occupancy Owner Tenant 5 % Vacant
 One-Unit Price Range \$ 50,000 to \$ 350,000 Predominant Value \$ 150,000
 One-Unit Age Range 5 yrs. to 50 yrs. Predominant Age 35 yrs.
 Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise) See attached addenda.

SITE

Dimensions SEE SURVEY = .771 ac Corner Lot
 Zoning Classification NONE Present Improvements Do Do Not Conform to Zoning Regulations
 Highest and Best Use Present Use Other (specify) COMMERCIAL IS THE LEGAL, MOST FAVORABLE, PHYSICALLY POSSIBLE AND MAXIMALLY PRODUCTIVE USE.
 Elec. Gas Water San. Sewer Underground Elect. & Tel.
 OFF SITE IMPROVEMENTS
 Street Access Public Private
 Surface ASPHALT Maintenance Public Private
 Storm Sewer Curb/Gutter Sidewalk Street Lights
 Topo LEVEL Size TYPICAL FOR AREA Shape RECTANGULAR View COMMERCIAL/RESIDENTIAL Drainage APPEARS ADEQUATE
 Is the property located in a FEMA Special Flood Hazard Area? Yes No
 Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions) See attached addenda.

The undersigned has recited the following recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	0000 BROADWAY AVE. WINNIE, TX 77665	0 Highway 124 Winnie, TX 77665	0 Spur 5 Winnie, TX 77665	1356 Highway 124 Winnie, TX 77665
Proximity to Subject		2.11 miles S	0.74 miles NW	0.86 miles SW
Sales Price	\$ N/A	\$ 45,000	\$ 500,000	\$ 150,000
Price \$/AC	\$ N/A	\$ 69,231/AC	\$ 111,190/AC	\$ 126,476/AC
Data Source(s)	CAD/SURVEY/INSP	MLS#205921/BROKER	REMAX-FOXWORTH	GRANTOR-MARILYN ADAMS
ITEM	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Date of Sale/Time Adj.	N/A	08/19/2019	03/20/2013	08/17/2011
Location	URBAN/AVG	SUBURBAN/AVG	URBAN/SUP	URBAN/GOOD
Site/View	.771 ac	0.65 ac	4.497	1.186 AC
UTILITIES	ELECT/WATER/SEWER	ELECT/WATER/SEWER	ELECT/WATER/SEWER	ELECT/WATER/SEWER
IMPROVEMENTS	NONE	NONE	NONE	NONE
TOPOGRAPHY	LEVEL/CLEARED	LEVEL/CLEARED	LEVEL/CLEARED	LEVEL/CLEARED
ACCESS	PUBLIC	PUBLIC	PUBLIC	PUBLIC
Sales or Financing Concessions	N/A	CASH DOM 38	CASH DOM 0	CASH DOM 0
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 23,500	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -435,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -84,000
Indicated Value of Subject		\$ 68,500	\$ 65,000	\$ 66,000

Comments on Market Data SALE 1 IS LOCATED OFF 124 IN STOWELL AND IN A LESSER DENSITY AREA. SALE 2 WAS PURCHASED FOR THE TRACTOR SUPPLY STORE AND LOCATED IN A HIGHER DENSITY AREA. SALE 3 IS THE DOLLAR GENERAL SITE AND IS LOCATED IN A HIGHER DENSITY AREA. LOCATION ADJUSTMENTS ARE BASED ON PAIRED SALES ANALYSIS. SIZE ADJUSTMENT BASED ON MARKET EXTRACTED \$70,000/ACRE.

Comments and Conditions of Appraisal ALL SALES WERE IN TERMS OF CASH TO THE SELLERS AND THERE WAS NO MARKETING TIME FOR SALES 2 AND 3. THE MARKET HAS BEEN STABLE OVER THE TIME SPAN OF THE COMPARABLE SALES AND NO TIME ADJUSTMENT IS WARRANTED.

Final Reconciliation BASED ON THIS ANALYSIS AND MOST CONSIDERATION GIVEN SALE 1 AND 3, THE ESTIMATED MARKET VALUE AS OF THE SUBJECT IS: \$68,000.

RECONCILIATION

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF 11/04/2019 TO BE \$ 68,000
 Appraiser JOSEPH L RAMEY II Supervisory Appraiser (if applicable)
 Date of Signature and Report 11/05/2019 Date of Signature
 Title APPRAISER Title
 State Certification # 1360803 ST TX State Certification # _____ ST _____
 Or State License # _____ ST _____ Or State License # _____ ST _____
 Expiration Date of State Certification or License 02/28/2021 Expiration Date of State Certification or License
 Date of Inspection (if applicable) 11/04/2019 Did Did Not Inspect Property Date of Inspection

Supplemental Addendum

File No. 31061JR

Client	BENCKENSTEIN & OXFORD L.L.P.				
Property Address	0000 BROADWAY AVE.				
City	WINNIE	County	CHAMBERS	State	TX Zip Code 77665
Lender/Client	BENCKENSTEIN & OXFORD L.L.P.				

• **Land: Neighborhood Comments**

THE SUBJECT IS LOCATED OFF ON HWY 124 ON BROADWAY. THE NEIGHBORHOOD IS A MIX OF COMMERCIAL AND RESIDENTIAL APPLICATIONS INCLUDING BUSINESSES, HOSPITALS, SINGLE FAMILY RESIDENTIAL PROPERTIES AND VACANT LAND. THE AREA HAS A PETROCHEMICAL AND AGRICULTURAL BASED ECONOMY WHICH HAS BEEN STABLE OVER THE PAST SEVERAL YEARS. NO ZONING IN THE NEIGHBORHOOD, HOWEVER PLANS MUST BE APPROVED BY THE COUNTY. HIGHEST AND BEST USE WOULD BE A COMMERCIAL APPLICATION. THERE IS NO ZONING, HOWEVER IMPROVEMENT PLANS MUST BE APPROVED BY THE COUNTY. RESIDENTIAL PROPERTIES ARE LOCATED BEHIND THE SUBJECT LOT AND IN THE IMMEDIATE AREA. RICELAND MEDICAL CENTER IS LOCATED ADJACENT TO THE SUBJECT TRACT AND THE MOST LIKELY APPLICATION WOULD BE AFFILIATED WITH MEDICAL SERVICES.

• **Land: Site Comments**

STANDARD UTILITY EASEMENTS NOTED. THE FRONT PART OF THE TRACT IS CLEARED AND THE REAR IS LIGHTLY WOODED. SUBJECT IS READY FOR IMPROVEMENTS AT THE TIME OF THE INSPECTION. THE SUBJECT IS LOCATED IN FLOOD ZONE "X" PER FLOOD MAP #48071C0275E, DATED 05/04/2015. HIGHEST AND BEST USE WOULD BE A COMMERCIAL APPLICATION. THERE IS NO ZONING, HOWEVER IMPROVEMENT PLANS MUST BE APPROVED BY THE COUNTY. RESIDENTIAL PROPERTIES ARE LOCATED BEHIND THE SUBJECT LOT AND IN THE IMMEDIATE AREA. RICELAND MEDICAL CENTER IS LOCATED ADJACENT TO THE SUBJECT TRACT AND THE MOST LIKELY APPLICATION WOULD BE AFFILIATED WITH MEDICAL SERVICES.

Assumptions and Limiting Conditions

WSHD
File # 31061JR

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal assignment, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. The appraiser has noted in this appraisal report any adverse conditions (such as the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent deficiencies or adverse conditions of the property (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
5. If the appraiser has based his or her appraisal report and valuation conclusion for an appraisal subject to certain conditions, it is assumed that the conditions will be met in a satisfactory manner.

THIS APPRAISAL USED AN EXTRAORDINARY ASSUMPTION THAT THE SUBJECT TRACT SIZE IS ACCURATE AND CORRECT. THE USE OF THE EXTRAORDINARY ASSUMPTION MIGHT AFFECT ASSIGNMENT RESULTS.

USPAP DEFINES EXTRAORDINARY ASSUMPTION AS THE FOLLOWING:

"AN ASSIGNMENT-SPECIFIC ASSUMPTION AS OF THE EFFECTIVE DATE REGARDING UNCERTAIN INFORMATION USED IN AN ANALYSIS WHICH, IF FOUND TO BE FALSE, COULD ALTER THE APPRAISER'S OPINIONS OR CONCLUSIONS."

UNCERTAIN INFORMATION MIGHT INCLUDE PHYSICAL, LEGAL OR ECONOMIC CHARACTERISTICS OF THE SUBJECT PROPERTY; OR CONDITIONS EXTERNAL TO THE PROPERTY; SUCH AS MARKET CONDITIONS OR TRENDS; OR ABOUT THE INTEGRITY OF THE DATA USED IN AN ANALYSIS.

Certifications

WSHD
File # 31061JR

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the subject property. I reported the site characteristics in factual, specific terms.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
9. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
10. I have knowledge and experience in appraising this type of property in this market area.
11. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
12. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
13. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
14. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
15. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
16. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
17. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
18. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
19. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
20. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

Certifications

WSHD
File # 31061JR

21. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

22. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature", as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

23. Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

- 1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature", as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRaiser JOSEPH L RAMEY, II
Signature [Handwritten Signature]
Name JOSEPH L RAMEY II
Company Name HALL APPRAISERS, INC.
Company Address 1102 LONGFELLOW, SUITE D BEAUMONT, TX 77706
Telephone Number (409) 892-3186 x104
Email Address hall@hallappraisersinc.com
Date of Signature and Report 11/05/2019
Effective Date of Appraisal 11/04/2019
State Certification # 1360803
or State License #
or Other (describe) State #
State TX
Expiration Date of Certification or License 02/28/2021

SUPERVISORY APPRAISER (ONLY IF REQUIRED)
Signature
Name
Company Name
Company Address
Telephone Number
Email Address
Date of Signature
State Certification # or State License #
State
Expiration Date of Certification or License

ADDRESS OF PROPERTY APPRAISED
0000 BROADWAY AVE.
WINNIE, TX 77665
APPRaised VALUE OF SUBJECT PROPERTY \$ 68,000
LENDER/CLIENT
Name HUBERT OXFORD IV
Company Name BENCKENSTEIN & OXFORD L.L.P.
Company Address 3535 CALDER AVE. BEAUMONT, TX 77706
Email Address hoxfordiv@benoxford.com

SUBJECT PROPERTY
[] Did not inspect subject property
[] Did inspect exterior of subject property from street
Date of Inspection
[] Did inspect interior and exterior of subject property
Date of Inspection
COMPARABLE SALES
[] Did not inspect exterior of comparable sales from street
[] Did inspect exterior of comparable sales from street
Date of Inspection

FIRREA / USPAP ADDENDUM

Client BENCKENSTEIN & OXFORD L.L.P.

Property Address 0000 BROADWAY AVE.

City WINNIE County CHAMBERS State TX Zip Code 77665

Lender/Client BENCKENSTEIN & OXFORD L.L.P.

Purpose

THE PURPOSE OF THIS APPRAISAL IS TO ESTIMATE THE MARKET VALUE OF THE SUBJECT PROPERTY IN FEE SIMPLE INTEREST.

Scope

MAKE A THOROUGH AND COMPLETE INSPECTION OF THE SUBJECT PROPERTY. OBTAIN LEGAL DESCRIPTION, OWNERSHIP, TAX VALUE AND TAX RATE, RESEARCH SURVEYS, PLAT, FLOOD AND OTHER MAPS WHICH OFFER PERTINENT AND VALUABLE INFORMATION. STUDY THE SUBJECT NEIGHBORHOOD TO DETERMINE GENERAL TRENDS, CONDITIONS, TYPES OF PROPERTIES AND STABILITY OF PROPERTIES. OBTAIN COST, MARKET AND INCOME DATA FROM RELIABLE SOURCES. ANALYZE AND COMPARE DATA TO THE SUBJECT TO DETERMINE SIMILARITIES AND DIFFERENCES. THEN COLLATE INTO AN ESTIMATE OF VALUE FOR THE SUBJECT. ALSO CONSIDER RECENT SALES HISTORY, PENDING SALES OR LISTING INFORMATION. FROM ALL DATA AVAILABLE, FORM AN OPINION OF FINAL VALUE ESTIMATE.

Intended Use / Intended User

THE INTENDED USER OF THIS APPRAISAL REPORT IS THE CLIENT. THIS INTENDED USE IS TO EVALUATE THE PROPERTY THAT IS THE SUBJECT OF THIS APPRAISAL, SUBJECT TO THE STATED SCOPE OF WORK, PURPOSE OF THE APPRAISAL, REPORTING REQUIREMENTS OF THIS APPRAISAL REPORT FORM, AND DEFINITION OF MARKET VALUE. NO ADDITIONAL INTENDED USERS ARE IDENTIFIED BY THE APPRAISER.

History of Property

Current listing information: ACCORDING TO THE OWNER, THE SUBJECT HAS NOT BEEN OFFERED FOR SALE.

Prior sale: SUBJECT HAS NO OTHER SALES HISTORY OVER THE PAST 3 YEARS.

Exposure Time / Marketing Time

EXPOSURE TIME IS THE ESTIMATED LENGTH OF TIME THE PROPERTY INTEREST BEING APPRAISED WOULD HAVE BEEN OFFERED ON THE MARKET PRIOR TO THE HYPOTHETICAL CONSUMMATION OF A SALE AT MARKET VALUE ON THE EFFECTIVE DATE OF THE APPRAISAL; A RETROSPECTIVE OPINION BASED ON AN ANALYSIS OF EVENTS ASSUMING A COMPETITIVE AND OPEN MARKET. BASED ON ANALYSIS OF COMPARABLE SALES CONSIDERED IN THIS APPRAISAL, THE ESTIMATED EXPOSURE TIME IS 3 TO 6 MONTHS.

Personal (non-reatly) Transfers

NONE

Additional Comments

I HAVE PERFORMED NO SERVICES, AS AN APPRAISER, REGARDING THE PROPERTY THAT IS THE SUBJECT OF THIS REPORT WITHIN A THREE YEAR PERIOD IMMEDIATELY PRECEDING ACCEPTANCE OF THIS ASSIGNMENT. THIS SUMMARY REPORT WAS DEVELOPED AND REPORTED WITHIN THE GUIDELINES OF THE "UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE" AS INTERPRETED BY THIS APPRAISER.

HIGHEST AND BEST USE WOULD BE A COMMERCIAL APPLICATION. THERE IS NO ZONING, HOWEVER IMPROVEMENT PLANS MUST BE APPROVED BY THE COUNTY. RESIDENTIAL PROPERTIES ARE LOCATED BEHIND THE SUBJECT LOT AND IN THE IMMEDIATE AREA. RICELAND MEDICAL CENTER IS LOCATED ADJACENT TO THE SUBJECT TRACT AND THE MOST LIKELY APPLICATION WOULD BE AFFILIATED WITH MEDICAL SERVICES.

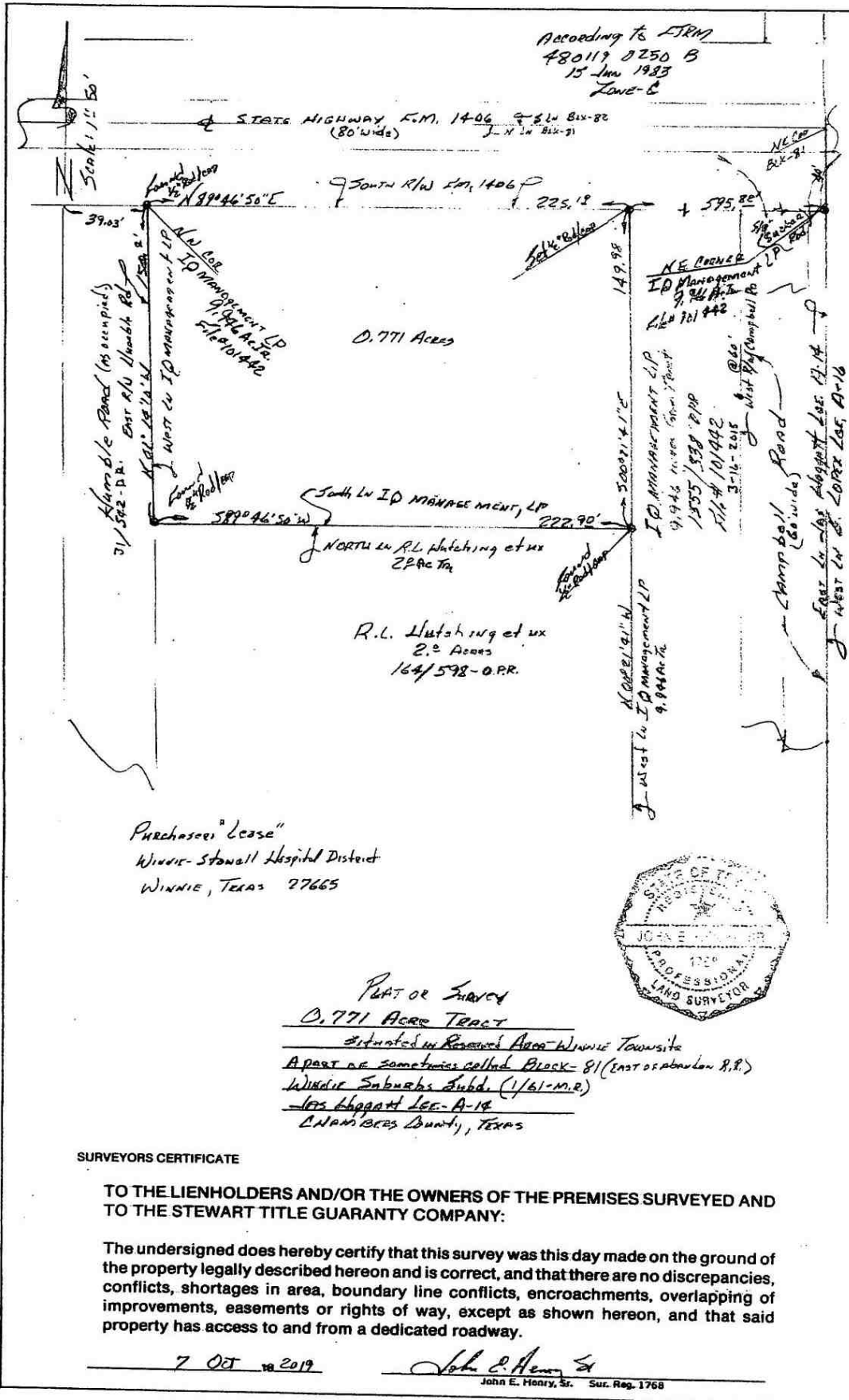
Certification Supplement

1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

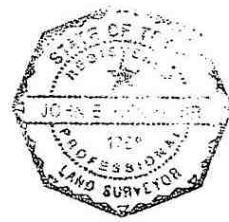


Appraiser(s): JOSEPH L RAMEY II Supervisory Appraiser(s): _____

Effective date / Report date: 11/05/2019 Effective date / Report date: _____



Purchaser "Lease"
 Winnie-Stonall Hospital District
 Winnie, Texas 77665



PLAT OF SURVEY
0.771 ACRE TRACT
 situated in Reynolds Area-Winnie Township
Winnie Suburban Subd. (1/61-M.R.)
East of Abilene R.R.
165 Abgart Lee-A-18
Chambers County, Texas

SURVEYORS CERTIFICATE

TO THE LIENHOLDERS AND/OR THE OWNERS OF THE PREMISES SURVEYED AND TO THE STEWART TITLE GUARANTY COMPANY:

The undersigned does hereby certify that this survey was this day made on the ground of the property legally described hereon and is correct, and that there are no discrepancies, conflicts, shortages in area, boundary line conflicts, encroachments, overlapping of improvements, easements or rights of way, except as shown hereon, and that said property has access to and from a dedicated roadway.

7 OCT 2019

John E. Henry, Sr.
 John E. Henry, Sr. Sur. Reg. 1768

HENRY SURVEY COMPANY
Land and Agriculture
P.O. Box 304
Winnie, Texas

Field Notes

7 Oct 2019

Being that certain 0.771 Acre Tract situated in the Reserved Area East of abandon Railway, Town of Winnie, Winnie Suburbs Subdivision, Jas Hoggatt League, A-14, Chambers County, Texas, a plat of said Subdivision recorded in A-21 of the Map Records of Chambers County, Texas and being a part of that certain IQ Management LP 9.946 Acre Tract as recorded in File #101442 of the Official Public Records of Chambers County, Texas and being more particularly described by metes and bounds as follows:

Beginning at the Northwest corner of said IQ Management LP 9.946 Acre Tract, marked by ½" Rod/cap situated at the intersection of the South right-of-way line State Highway F.M. #146 (based on 80 feet width) with the East right-of-way line of Humble Road (county maintained asphalt topping) and the Northwest corner of tract here-in described and Place of Beginning;

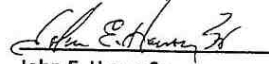
Then, North 89°46'50" East, with the North line of said IQ Management LP 9.946 Acre Tract and the South right-of-way line of said State Highway F.M. 1406, a distance of 225.19 feet to ½ " Rod/cap set for the Northeast corner of tract here-in described;

Then, South 00°21'41" East, an extension of the most Southerly West line of said IQ Management LP 9.946 Acre Tract, a distance of 149.98 feet to ½" Rod/cap found at an interior corner of said IQ Management 9.946 Acre Tract and the Northeast corner of that certain R.L.

Hutching et ux 2.00 Acre Tract and Southeast corner of tract here-in described;

Then, South 89°46'50" West, with the most Northerly South line of said IQ Management LP 9.946 Acre Tract and the North line of that certain R.L. Hutching et ux 2.00 Acre Tract, a distance of 222.90 feet to ½" Rod/cap found for most Northerly Southwest corner of said IQ Management LP 9.946 Acre Tract and the Northwest corner of said R.L. Hutching et ux 2.00 Acre Tract situated in the East right-of-way line of said Humble Road and the Southwest corner of tract here-in described;

Then, North 01°14'10" West, with the West line of said IQ Management LP 9.946 Acre Tract and with the East right-of-way line of said Humble Road, a distance of 150.00 feet to Place of Beginning enclosing a tract of land containing 0.771 Acres more or less.


John E. Henry Sr.
Prof. Land Surveyor
REG. No. 1768



Subject Land Photo Page

Client	BENCKENSTEIN & OXFORD L.L.P.				
Property Address	0000 BROADWAY AVE.				
City	WINNIE	County	CHAMBERS	State	TX
				Zip Code	77665
Lender/Client	BENCKENSTEIN & OXFORD L.L.P.				



Subject Front

0000 BROADWAY AVE.
Sales Price N/A
Date of Sale N/A
Location URBAN/AVG
Site/View .771 ac
UTILITIES ELECT/WATER/SEWER
IMPROVEMENTS NONE
TOPOGRAPHY LEVEL/CLEARED
ACCESS PUBLIC



Subject Rear



Subject Aerial

Comparable Land Photo Page

Client	BENCKENSTEIN & OXFORD L.L.P.				
Property Address	0000 BROADWAY AVE.				
City	WINNIE	County	CHAMBERS	State	TX
				Zip Code	77665
Lender/Client	BENCKENSTEIN & OXFORD L.L.P.				



Comparable 1

0 Highway 124
 Prox. to Subj. 2.11 miles S
 Sales Price 45,000
 Date of Sale 08/19/2019
 Location SUBURBAN/AVG
 Site/View 0.65 ac
 UTILITIES ELECT/WATER/SEWER
 IMPROVEMENTS NONE
 TOPOGRAPHY LEVEL/CLEARED
 ACCESS PUBLIC



Comparable 2

0 Spur 5
 Prox. to Subj. 0.74 miles NW
 Sales Price 500,000
 Date of Sale 03/20/2013
 Location URBAN/SUP
 Site/View 4.497
 UTILITIES ELECT/WATER/SEWER
 IMPROVEMENTS NONE
 TOPOGRAPHY LEVEL/CLEARED
 ACCESS PUBLIC



Comparable 3

1356 Highway 124
 Prox. to Subj. 0.86 miles SW
 Sales Price 150,000
 Date of Sale 08/17/2011
 Location URBAN/GOOD
 Site/View 1.186 AC
 UTILITIES ELECT/WATER/SEWER
 IMPROVEMENTS NONE
 TOPOGRAPHY LEVEL/CLEARED
 ACCESS PUBLIC

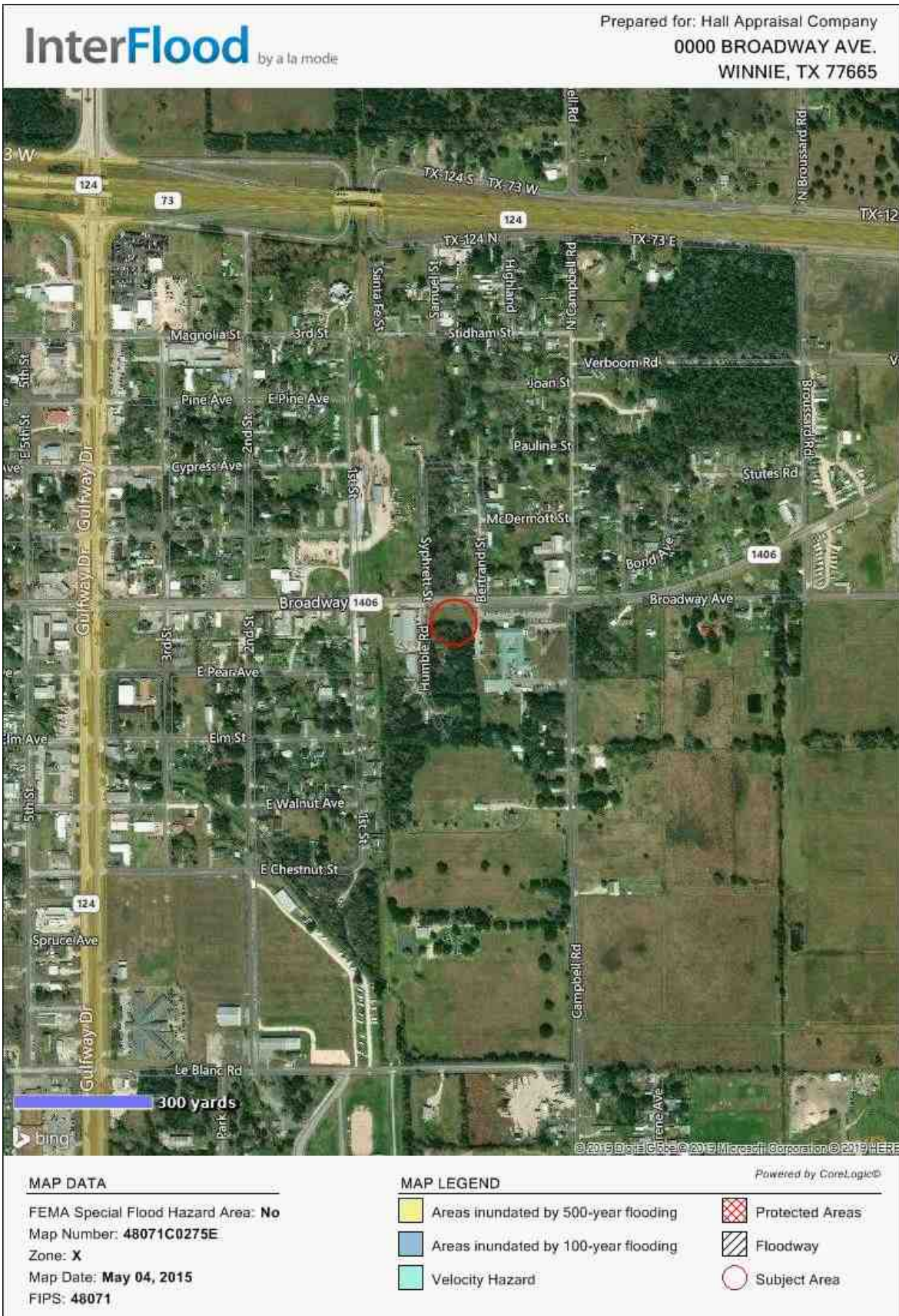
Location Map

Client	BENCKENSTEIN & OXFORD L.L.P.		
Property Address	0000 BROADWAY AVE.		
City	WINNIE	County	CHAMBERS
		State	TX
		Zip Code	77665
Lender/Client	BENCKENSTEIN & OXFORD L.L.P.		



Flood Map

Client	BENCKENSTEIN & OXFORD L.L.P.		
Property Address	0000 BROADWAY AVE.		
City	WINNIE	County	CHAMBERS
		State	TX
		Zip Code	77665
Lender/Client	BENCKENSTEIN & OXFORD L.L.P.		



APPRAISER LICENSE

Texas Appraiser Licensing and Certification Board

P.O. Box 12188 Austin, Texas 78711-2188

Certified Residential Real Estate Appraiser

Number: **TX 1360803 R**

Issued: **02/01/2019**

Expires: **02/28/2021**

Appraiser: **JOSEPH LYNN RAMEY II**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Certified Residential Real Estate Appraiser.


Douglas E. Oldmixon
Commissioner

INVOICE

FROM:

HALL APPRAISERS, INC.
 1102 LONGFELLOW
 SUITE D
 BEAUMONT, TX 77706
 Telephone Number: 409-892-3186 Fax Number: 409-892-5454

TO:

HUBERT OXFORD IV
 BENCKENSTEIN & OXFORD L.L.P.
 3535 CALDER AVE.
 BEAUMONT, TX 77706
 Telephone Number: (409) 833-9182 Fax Number:
 Alternate Number: E-Mail: hoxfordiv@benoxford.com

INVOICE NUMBER	
	31061JR
DATE	
	10/25/2019
REFERENCE	
Internal Order #:	31061JR
Lender Case #:	WSHD
Client File #:	
Main File # on form:	31061JR
Other File # on form:	WSHD
Federal Tax ID:	76-0668123
Employer ID:	

DESCRIPTION

Lender: N/A Client: BENCKENSTEIN & OXFORD L.L.P.
 Purchaser/Borrower: N/A
 Property Address: 0000 BROADWAY AVE.
 City: WINNIE
 County: CHAMBERS State: TX Zip: 77665
 Legal Description: .771 ACRES, MORE OR LESS, PART OF 9.946 ACRES 14-81-1A WINNIE SUBURBS

FEES

AMOUNT

LAND APPRAISAL	750.00
SUBTOTAL	750.00

PAYMENTS

AMOUNT

Check #:	Date:	Description:	
Check #:	Date:	Description:	
Check #:	Date:	Description:	
SUBTOTAL			

WE APPRECIATE YOUR BUSINESS **TOTAL DUE** \$ 750.00

Negotiating a Building's Ground Rent

Navigating a Contested Land Valuation

BY BRETT D. DOCKWELL 2011 SEPTEMBER

LAW & LEGISLATION



Many co-ops in New York lease, rather than own, the land beneath their apartment building. For the board of a leasehold co-op, navigating a contested land valuation, in which the amount of the co-op's ground rent is determined through arbitration, can be a daunting process. Much of the action plays out seemingly beyond the board's control, in an extended battle among appraisers, arbitrators and lawyers, with the outcome dictating the co-op's financial position for years to come. During the process, the prospect of higher maintenance fees to cover the new ground rent will generate shareholder anxiety and adversely affect the marketability of the building. As a result, the board will feel pressure to reassure shareholders, while the potential for an unfavorable outcome.

To manage these challenges, the board must have a solid understanding of the process and its context. This article outlines the contested land valuation

considerations the board should have in mind as it navigates the process.

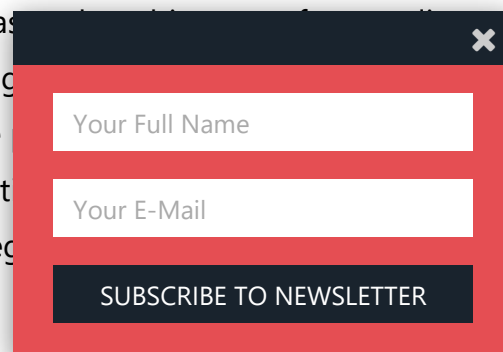
Approaching a Ground-Rent Reset Date

Most ground leases run for an initial term of about 30 years, followed by a series of optional extension or renewal terms that can be exercised by the co-op. The renewal terms in most ground leases are 15 to 25 years, and the total duration of the lease if all extension terms are exercised is typically 99 years. To account for changes in economic and market conditions over this long time frame, the ground lease may contain a rent-escalation clause. Alternatively, as discussed here, the ground lease may provide that the amount of the rent can be reset based on the fair market value of the land, as determined through arbitration, usually at intervals of 10 or 15 years. The ground rent will be a straight percentage – normally about 6 percent – of the land's market value.

As a ground-rent reset date approaches, the co-op board will consult with its counsel and will normally retain an appraiser who is experienced in valuing commercial real estate. The appraiser will provide the board with a preliminary valuation of the land (likely a range of potential values), which should enable the board or its managing agent to estimate the potential increase in the co-op's ground rent and its effect on shareholder maintenance.

Once the board has this information, it will need to decide whether to attempt to negotiate directly with the landowner over the new ground rent. Some ground leases require such negotiations as a precondition to arbitration. By negotiating a new rent, the parties can circumvent the arbitration process, which can take a year or more from the appointment of arbitrators to the final determination of the new ground rent. Furthermore, unlike judges, arbitrators charge the parties directly for their time, and these fees, together with those of the co-op's experts and attorneys, can be substantial. Negotiating a new rent obviously benefits the parties to the extent it avoids the expense, time and uncertainty of arbitration.

Perhaps more importantly, by negotiating, the parties can tailor an agreement to their particular interests in ways that arbitrators cannot. Under most ground leases, an arbitrator's ruling may only determine the market value of the property; any ruling in excess of that mandate under the lease will be unenforceable. By contrast, the parties can negotiate whatever bargain they want. For example, the parties can negotiate a staggered rent schedule, which can reduce the size of a rent increase at the beginning of the term. They can negotiate lease extensions, the sharing of any retail or



Your Full Name

Your E-Mail

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property, or even the co-op's purchase of the land. In any such negotiations, the amount of the ground rent will be only one of several terms at play.

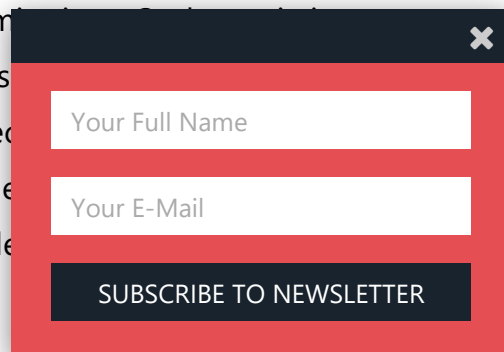
Such flexibility can be critical for the co-op as it approaches its final renewal term under the ground lease, because upon expiration of the ground lease, the land and the co-op building will revert to the landowner, and the co-op's shares will become worthless. To protect shareholder value, the co-op board will want to negotiate an extension of the term of the ground lease, or the purchase of the land, well before the ground lease's final 30 years. Once the ground lease enters that terminal phase, co-op units will become difficult to sell because prospective purchasers will be unable to obtain traditional mortgage financing and will be, in any case, reluctant to buy a depreciating asset. In such circumstances, the amount of the ground rent will be, at most, a secondary concern.

The Appraisal Process

Absent an agreement between the parties, a new ground rent will be determined through arbitration. (In the rare instance in which the ground lease does not include an arbitration provision, the new rent will be resolved through a court proceeding.) Most leases mandate tri-party arbitration – each side appoints its own arbitrator, and the two arbitrators agree on a “neutral” third. Arbitrators in contested land valuations are typically appraisers themselves, though they do not prepare their own reports and will instead rely entirely on the reports submitted by the parties' appraisers.

One of the appraiser's first tasks will be to determine the highest and best use for the land – that is, the legally permissible use of the land that maximizes the land's economic return. Such a use may not be a residential co-op, but rather an office or condo building or a hotel. Valuing the land according to its highest and best use, rather than its actual use as a co-op, may seem counter-intuitive, but it reflects the fact that the co-op leases the land, not the co-op building.

The appraiser will also consider any restrictions on the use of the land, such as zoning regulations that prohibit certain uses or impose architectural and design limitations that significantly reduce the land's value. In addition, the ground lease may contain provisions that affect its value; in the open market, land that is subject to such provisions is worth less than land that is available for immediate development. Under such circumstances, the lease must be considered as an encumbrance in valuing the land, unless the lease expressly states otherwise.



Your Full Name

Your E-Mail

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To support the appraiser's assumptions, the co-op may retain experts on topics such as land use, retail leasing, condo pricing, and financing and construction costs. The parties' appraisers and experts prepare written reports, which they submit to the panel, followed by rebuttal reports. After reviewing the reports, the panel will hold hearings.

Arbitration Hearings

An arbitration hearing is similar to a court trial, with each side offering evidence and examining and cross-examining witnesses. However, arbitration is much less formal than litigation, and courtroom rules of evidence and procedure do not apply. Disputes regarding evidence or procedure, or the availability of discovery, will be resolved by the arbitrators in their discretion. Hearings normally take place at the offices of the parties' counsel, and the proceeding can last anywhere from a few days to a few weeks. During this time, the parties are normally permitted to consult privately with their respective party-appointed arbitrators.

Once the hearings are concluded, the arbitrators may ask each party to provide a memorandum that summarizes the appraisal reports, evidence and witness testimony from that party's perspective. The arbitrators will then commence deliberations, at which point each side will be barred from communicating with any of the arbitrators, including its appointee, until the arbitrators render their decision.

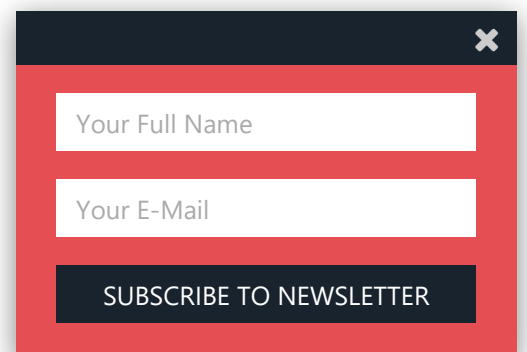
The Decision

The arbitrators will issue a decision typically within 30 to 60 days after the conclusion of the hearings. This decision normally consists of a single sentence or two setting forth the panel's conclusion as to the land's fair market value. Arbitrators are not required to explain the reasoning behind their value conclusion, and arbitrators rarely provide any reasoning in their written decision. If the decision is issued after the new rent term has already begun, the co-op may owe back rent, which may be subject to interest under the lease.

The panel's decision will be the final word on the property's value. Under both New York and federal law, an arbitration decision will be enforceable in rare instances of corruption or bias or other procedural irregularities. In most cases, either the landowner or the co-op will typically file an action in court for judicial confirmation of the award. Once confirmed, the arbitrators' decision is

same manner as a court judgment, although in the majority of cases the co-op and the landowner are able to reconcile the new rental amount between themselves, without further recourse to arbitrators or the courts.

Brett D. Dockwell is an associate, at the Manhattan-based law firm of Morrison Cohen, LLP. Y. David Scharf is a partner.



A red-bordered form with a dark blue header containing a close button (X). The form contains two input fields: "Your Full Name" and "Your E-Mail". Below the fields is a dark blue button with the text "SUBSCRIBE TO NEWSLETTER".

Exhibit “B-1”





14 98

14 98













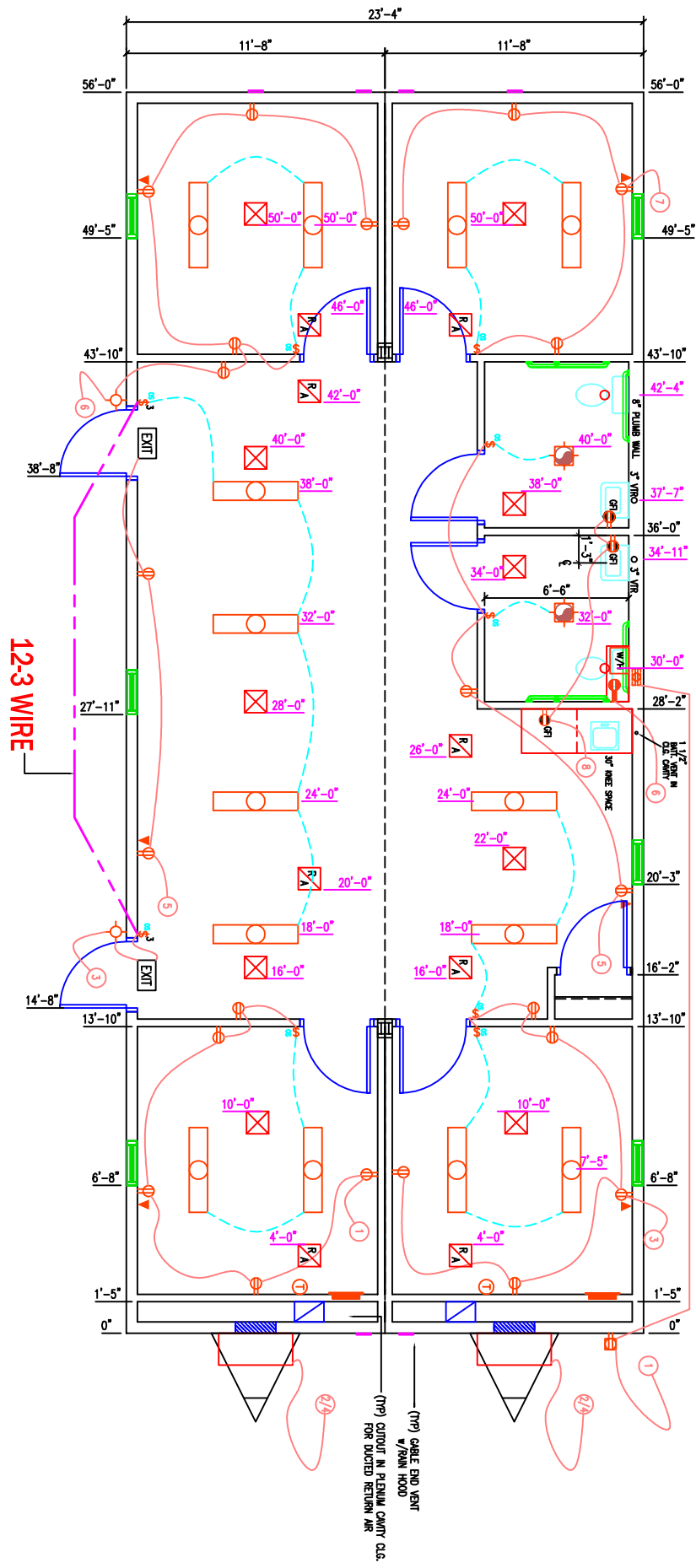


Exhibit “B-2”

**AEJ Construction LLC,
Michael Ramirez
2432 Hwy. 61
Devers, TX 77538
936-346-2499**

Quote

Foundation, Flatwork, And Crushed Concrete Parking Area

Date: October 28, 2019
Name: Mr. Ed Murrell
Location: Winnie, TX
Project: Approx. 24x54 Foundation and Sidewalk 4x20
Approx. 50x60 Parking Area

Note: \$2,500 is in Base Bid for the connection of water, sewer, and electrical conduit to the structure once in place-This amount is for labor and materials from building to the utilities based on 50' or less.

Scope: Foundation, Flatwork, And Crushed Concrete Parking Area

Based on Approx. 24x54x4"

Bid is Based on Tailgating Materials-added cost if use of pump or buggy is needed

Positive slope away from existing structures

4" 3500psi concrete

#3 Rebar on 16" Centers

12"x24" beam in on Perimeter-with 4ea #5 in beams tied on 30" centers

Scrape off and leave on site: Grass/Asphalt/soil/rock to achieve grade

Leave existing debris on site

Light Broom Finish

All flatwork to be 4" 3500 psi concrete with #3 rebar placed on 16" centers

Parking area to be 50x60

Scrape off and leave on site: Grass/Asphalt/soil/rock to achieve grade

Place road and site fabric material on subgrade

Place 6" crushed concrete in area

Base Bid: \$24,920.00

Change Orders: Quotes are based on identified repairs at time of inspection, once job is commenced and additional repairs are warranted. Repairs and/or Additions to Job Scope will be done thru Change Orders. None of this work will be done until Owner is informed of repairs and/or additions and cost of Change Order is agreed upon in writing.

Cleanup: During and after work will be done by Contractor
Time Frame: To be announced-Depending on Project, Scheduling, and Weather
Payment Schedule: To be announced
Insurance: General Liability Policy can be submitted before commencement of work

Regards

Michael Ramirez
AEJ Construction

22,300.⁰⁰

24,920.⁰⁰

26,000.⁰⁰

SEWER
GRINDER

3200.⁰⁰

WATER

1000.⁰⁰

DEPOSIT

200.⁰⁰

Location Information

Location	Address
P1/B1	520 Broadway Ave, WINNIE, TX 77665

General Liability Limits of Insurance

General Aggregate Limit (Other Than Products-Completed Ops)	\$2,000,000
Products-Completed Ops Aggregate Limit	Not Covered
Personal and Advertising Injury Limit	Not Covered
Each Occurrence Limit	\$1,000,000
Damage To Premises Rented To You	\$100,000
Medical Expense Limit	\$5,000 Any One Person
Each Professional Incident Limit (if applicable)	Not Covered
Deductible	\$250 BI/PD

Exposure

Code	Class Name	Basis	Exposure	Pr/Co Rate	Pr/Co Premium	All Other Rate	All Other Premium
61224	Buildings or Premises - bank or office - premises occupied by employees of the Insured (TX P1/B1)	Area	1,075	Not Covered	Not Covered	50.555	491.00 MP
61217	Buildings or Premises - bank or office - mercantile or manufacturing - maintained by the Insured (lessor's risk only) - for profit (TX P1/B1)	Area	269	Not Covered	Not Covered	32.902	9.00 MP

Property Coverage Summary

Include Equipment Breakdown Coverage? No

Property Location Information

Location	Address	Occupancy Class	Causes Of Loss	Deductible	Wind/Hail Deductible Exception	Subject to Minimum Deductible
P1/B1	520 Broadway Ave, WINNIE, TX 77665	Offices - Non-Governmental	Special	1,000	2%	5,000

Location	Construction Type	Sprinklers	Prot Class	Number of Stories	Year Built	Roof Construction	Roof Age	Square Footage	TIV	Premium
P1/B1	Frame	No	6	1	2019	Asphalt shingle (normal)	1	1,344	\$130,000	\$1,162.00

Property Coverage

P1/B1 Building Premium: \$997.00

Limit : 90,000, Coinsurance : 80%, Valuation Type : Replacement Cost

P1/B1 Business Personal Property Premium: \$165.00

Limit : 40,000, Coinsurance : 80%, Valuation Type : Replacement Cost

Additional Coverage Notes**CP1211 (10/00) Burglary and Robbery Protective Safeguards**

PREM # : 1

BLDG # : 1

PROT SYMBOLS : BR-1

Exhibit “B-3”

Lawanna Dugat

From: Rikard, Jon <jon.rikard@weareflood.com>
Sent: Monday, July 08, 2019 10:01 PM
To: Logan Sherlock
Cc: Lawanna Dugat
Subject: Re: Park Style RV

As far as I can tell yes, on blocks and secured to the ground.

Jon Rikard
Regional Sales Manager
Wright Flood
281 229 0630
866 373 5663 ext 7612

On Jul 8, 2019, at 2:23 PM, Logan Sherlock <Logan@edwardsandsherlock.com> wrote:

Hi Jon,

I thought I had responded previously to your last email, but I guess I hadn't.

In regards to the Park-Style RVs (scroll down to our previous emails to see pictures of the instructions that came from the manufacturer on how to secure the units to the ground – pics are in the email), this prospect (per the manufacturers guidelines) will be following the below highlighted requirements that your underwriter had supplied. Does this mean that they are in compliance?

“The occupancy for manufactured homes and travel trailers may be residential or non-residential depending on their use. Manufactured homes and travel trailers must meet the following requirements:

- **Be affixed to a permanent foundation that may be a poured masonry slab, foundation walls, piers, or blocks so that the wheels and axles of the mobile home do not support its weight.** This prospect will be using blocks and anchors to secure the units. Also none of the units will be supported by the wheels.
- **Anchored to a permanent foundation to resist flotation, collapse, or lateral movement by providing over-the-top or frame ties to ground anchors; or in accordance with manufacturer's specifications; or in compliance with the community's floodplain management requirements.** The prospect will be securing the units in accordance with manufacturer's specifications.
- **Manufactured (Mobile) homes continuously insured since September, 30, 1982, can renew under the previously existing requirements if they meet the following conditions:**
 - Are affixed to a permanent foundation in compliance with the foundation and anchoring requirements at the time of placement.
 - To be adequately anchored, the foundation support system must secure the manufactured or mobile home into the ground sufficiently to resist flotation, collapse, and lateral movement caused by flood forces, including wind forces in coastal areas.”

Since it appears that the prospect is in compliance, I just want to double check that you agree, and that I am not missing anything!

Please advise!

Thanks,

Wright National Flood Insurance Company

Quote Number 42QT4704130899

Coverage Combinations and Premiums

Building	Contents	Deductible	Premium	ICC (INCREASED COST OF COMPLIANCE)	Fees/Surcharges	Total Premium
\$50,000	\$50,000	\$1,000	\$606	\$8	\$367	\$981
\$50,000	\$100,000	\$1,000	\$764	\$8	\$391	\$1,163
\$50,000	\$150,000	\$1,000	\$916	\$8	\$414	\$1,338
\$50,000	\$200,000	\$1,000	\$1,060	\$8	\$435	\$1,503
\$50,000	\$250,000	\$1,000	\$1,198	\$8	\$456	\$1,662
\$50,000	\$300,000	\$1,000	\$1,328	\$8	\$475	\$1,811
\$50,000	\$350,000	\$1,000	\$1,451	\$8	\$494	\$1,953
\$50,000	\$400,000	\$1,000	\$1,568	\$8	\$511	\$2,087
\$50,000	\$450,000	\$1,000	\$1,678	\$8	\$528	\$2,214
\$50,000	\$500,000	\$1,000	\$1,781	\$8	\$543	\$2,332
\$100,000	\$50,000	\$1,000	\$827	\$8	\$400	\$1,235
\$100,000	\$100,000	\$1,000	\$985	\$8	\$424	\$1,417
\$100,000	\$150,000	\$1,000	\$1,135	\$8	\$446	\$1,589
\$100,000	\$200,000	\$1,000	\$1,280	\$8	\$468	\$1,756
\$100,000	\$250,000	\$1,000	\$1,417	\$8	\$489	\$1,914
\$100,000	\$300,000	\$1,000	\$1,548	\$8	\$508	\$2,064
\$100,000	\$350,000	\$1,000	\$1,672	\$8	\$527	\$2,207
\$100,000	\$400,000	\$1,000	\$1,789	\$8	\$545	\$2,342
\$100,000	\$450,000	\$1,000	\$1,898	\$8	\$561	\$2,467
\$100,000	\$500,000	\$1,000	\$2,002	\$8	\$577	\$2,587
\$150,000	\$50,000	\$1,250	\$980	\$8	\$423	\$1,411
\$150,000	\$100,000	\$1,250	\$1,136	\$8	\$447	\$1,591
\$150,000	\$150,000	\$1,250	\$1,287	\$8	\$469	\$1,764
\$150,000	\$200,000	\$1,250	\$1,430	\$8	\$491	\$1,929
\$150,000	\$250,000	\$1,250	\$1,565	\$8	\$511	\$2,084

Building	Contents	Deductible	Premium	ICC (INCREASED COST OF COMPLIANCE)	Fees/Surcharges	Total Premium
\$150,000	\$300,000	\$1,250	\$1,694	\$8	\$530	\$2,232
\$150,000	\$350,000	\$1,250	\$1,817	\$8	\$549	\$2,374
\$150,000	\$400,000	\$1,250	\$1,933	\$8	\$566	\$2,507
\$150,000	\$450,000	\$1,250	\$2,041	\$8	\$582	\$2,631
\$150,000	\$500,000	\$1,250	\$2,144	\$8	\$598	\$2,750
\$200,000	\$50,000	\$1,250	\$1,149	\$8	\$449	\$1,606
\$200,000	\$100,000	\$1,250	\$1,306	\$8	\$472	\$1,786
\$200,000	\$150,000	\$1,250	\$1,454	\$8	\$494	\$1,956
\$200,000	\$200,000	\$1,250	\$1,599	\$8	\$516	\$2,123
\$200,000	\$250,000	\$1,250	\$1,734	\$8	\$536	\$2,278
\$200,000	\$300,000	\$1,250	\$1,863	\$8	\$556	\$2,427
\$200,000	\$350,000	\$1,250	\$1,986	\$8	\$574	\$2,568
\$200,000	\$400,000	\$1,250	\$2,102	\$8	\$592	\$2,702
\$200,000	\$450,000	\$1,250	\$2,210	\$8	\$608	\$2,826
\$200,000	\$500,000	\$1,250	\$2,312	\$8	\$623	\$2,943
\$250,000	\$50,000	\$1,250	\$1,262	\$8	\$466	\$1,736
\$250,000	\$100,000	\$1,250	\$1,419	\$8	\$489	\$1,916
\$250,000	\$150,000	\$1,250	\$1,568	\$8	\$511	\$2,087
\$250,000	\$200,000	\$1,250	\$1,711	\$8	\$533	\$2,252
\$250,000	\$250,000	\$1,250	\$1,848	\$8	\$553	\$2,409
\$250,000	\$300,000	\$1,250	\$1,976	\$8	\$573	\$2,557
\$250,000	\$350,000	\$1,250	\$2,098	\$8	\$591	\$2,697
\$250,000	\$400,000	\$1,250	\$2,215	\$8	\$608	\$2,831
\$250,000	\$450,000	\$1,250	\$2,323	\$8	\$625	\$2,956
\$250,000	\$500,000	\$1,250	\$2,425	\$8	\$640	\$3,073
\$300,000	\$50,000	\$1,250	\$1,382	\$8	\$484	\$1,874
\$300,000	\$100,000	\$1,250	\$1,539	\$8	\$507	\$2,054
\$300,000	\$150,000	\$1,250	\$1,689	\$8	\$530	\$2,227
\$300,000	\$200,000	\$1,250	\$1,832	\$8	\$551	\$2,391

Building	Contents	Deductible	Premium	ICC (INCREASED COST OF COMPLIANCE)	Fees/Surcharges	Total Premium
\$300,000	\$250,000	\$1,250	\$1,968	\$8	\$571	\$2,547
\$300,000	\$300,000	\$1,250	\$2,096	\$8	\$591	\$2,695
\$300,000	\$350,000	\$1,250	\$2,219	\$8	\$609	\$2,836
\$300,000	\$400,000	\$1,250	\$2,335	\$8	\$626	\$2,969
\$300,000	\$450,000	\$1,250	\$2,443	\$8	\$643	\$3,094
\$300,000	\$500,000	\$1,250	\$2,546	\$8	\$658	\$3,212
\$350,000	\$50,000	\$1,250	\$1,447	\$8	\$493	\$1,948
\$350,000	\$100,000	\$1,250	\$1,604	\$8	\$517	\$2,129
\$350,000	\$150,000	\$1,250	\$1,754	\$8	\$539	\$2,301
\$350,000	\$200,000	\$1,250	\$1,896	\$8	\$561	\$2,465
\$350,000	\$250,000	\$1,250	\$2,033	\$8	\$581	\$2,622
\$350,000	\$300,000	\$1,250	\$2,162	\$8	\$601	\$2,771
\$350,000	\$350,000	\$1,250	\$2,284	\$8	\$619	\$2,911
\$350,000	\$400,000	\$1,250	\$2,399	\$8	\$636	\$3,043
\$350,000	\$450,000	\$1,250	\$2,508	\$8	\$652	\$3,168
\$350,000	\$500,000	\$1,250	\$2,610	\$8	\$668	\$3,286
\$400,000	\$50,000	\$1,250	\$1,519	\$8	\$504	\$2,031
\$400,000	\$100,000	\$1,250	\$1,675	\$8	\$527	\$2,210
\$400,000	\$150,000	\$1,250	\$1,825	\$8	\$550	\$2,383
\$400,000	\$200,000	\$1,250	\$1,968	\$8	\$571	\$2,547
\$400,000	\$250,000	\$1,250	\$2,104	\$8	\$592	\$2,704
\$400,000	\$300,000	\$1,250	\$2,233	\$8	\$611	\$2,852
\$400,000	\$350,000	\$1,250	\$2,355	\$8	\$629	\$2,992
\$400,000	\$400,000	\$1,250	\$2,471	\$8	\$647	\$3,126
\$400,000	\$450,000	\$1,250	\$2,580	\$8	\$663	\$3,251
\$400,000	\$500,000	\$1,250	\$2,682	\$8	\$679	\$3,369
\$450,000	\$50,000	\$1,250	\$1,597	\$8	\$516	\$2,121
\$450,000	\$100,000	\$1,250	\$1,754	\$8	\$539	\$2,301
\$450,000	\$150,000	\$1,250	\$1,903	\$8	\$562	\$2,473

Building	Contents	Deductible	Premium	ICC (INCREASED COST OF COMPLIANCE)	Fees/Surcharges	Total Premium
\$450,000	\$200,000	\$1,250	\$2,046	\$8	\$583	\$2,637
\$450,000	\$250,000	\$1,250	\$2,182	\$8	\$604	\$2,794
\$450,000	\$300,000	\$1,250	\$2,311	\$8	\$623	\$2,942
\$450,000	\$350,000	\$1,250	\$2,434	\$8	\$641	\$3,083
\$450,000	\$400,000	\$1,250	\$2,549	\$8	\$659	\$3,216
\$450,000	\$450,000	\$1,250	\$2,657	\$8	\$675	\$3,340
\$450,000	\$500,000	\$1,250	\$2,760	\$8	\$690	\$3,458
\$500,000	\$50,000	\$1,250	\$1,681	\$6	\$528	\$2,215
\$500,000	\$100,000	\$1,250	\$1,838	\$6	\$552	\$2,396
\$500,000	\$150,000	\$1,250	\$1,988	\$6	\$574	\$2,568
\$500,000	\$200,000	\$1,250	\$2,131	\$6	\$596	\$2,733
\$500,000	\$250,000	\$1,250	\$2,267	\$6	\$616	\$2,889
\$500,000	\$300,000	\$1,250	\$2,395	\$6	\$635	\$3,036
\$500,000	\$350,000	\$1,250	\$2,518	\$6	\$654	\$3,178
\$500,000	\$400,000	\$1,250	\$2,634	\$6	\$671	\$3,311
\$500,000	\$450,000	\$1,250	\$2,742	\$6	\$687	\$3,435
\$500,000	\$500,000	\$1,250	\$2,844	\$6	\$703	\$3,553

Location Information

Location **Address**
 P1/B1 520 Broadway Ave, WINNIE, TX 77665

General Liability Limits of Insurance

General Aggregate Limit (Other Than Products-Completed Ops) \$2,000,000
 Products-Completed Ops Aggregate Limit Not Covered
 Personal and Advertising Injury Limit Not Covered
 Each Occurrence Limit \$1,000,000
 Damage To Premises Rented To You \$100,000
 Medical Expense Limit \$5,000 Any One Person
 Each Professional Incident Limit (If applicable) Not Covered
 Deductible \$250 BI/PD

*90000/
40000*

Exposure

Code	Class Name	Basis	Exposure	Pr/Co Rate	Pr/Co Premium	All Other Rate	All Other Premium
61224	Buildings or Premises - bank or office - premises occupied by employees of the Insured (TX P1/B1)	Area	1,075	Not Covered	Not Covered	50.555	491.00 MP
61217	Buildings or Premises - bank or office - mercantile or manufacturing - maintained by the Insured (lessor's risk only) - for profit (TX P1/B1)	Area	269	Not Covered	Not Covered	32.902	9.00 MP

Property Coverage Summary

Include Equipment Breakdown Coverage? No

Property Location Information

Location	Address	Occupancy Class	Causes Of Loss	Deductible	Wind/Hail Deductible Exception	Subject to Minimum Deductible
P1/B1	520 Broadway Ave, WINNIE, TX 77665	Offices - Non-Governmental	Special	1,000	2%	5,000

Location	Construction Type	Sprinklers	Prot Class	Number of Stories	Year Built	Roof Construction	Roof Age	Square Footage	TIV	Premium
P1/B1	Frame	No	6	1	2019	Asphalt shingle (normal)	1	1,344	\$130,000	\$1,162.00

Property Coverage

P1/B1 Building Premium: \$997.00

Limit : 90,000, Coinsurance : 80%, Valuation Type : Replacement Cost

P1/B1 Business Personal Property Premium: \$165.00

Limit : 40,000, Coinsurance : 80%, Valuation Type : Replacement Cost

3

Additional Coverage Notes

CP1211 (10/00) Burglary and Robbery Protective Safeguards

PREM # : 1

BLDG # : 1

PROT SYMBOLS : BR-1

Quote/Coverage Summary

Company	Western World Insurance Co.	A. M. Best Rated A+	Non-Admitted
Form	Commercial Package Policy		

COMMERCIAL GENERAL LIABILITY

Premium Summary	Premium		\$500.00
-----------------	---------	--	----------

PROPERTY

Premium Summary	Premium		\$1,162.00
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Locations:

PREMISES #1	520 Broadway Ave, Winnie, TX 77665
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PREMIUM SUMMARY

Policy Term	11/15/2019 To 11/15/2020		
Premium Summary	Premium		\$1,662.00
	Stamping Fee		\$2.94
	Surplus Lines Tax		\$95.16
	Policy Fee		\$200.00
	Inspection Fee		\$100.00
	Total		\$2,060.10

The applicant(s) agrees that if the information supplied on or in connection with this proposal form changes between the date of this proposal form and the inception date of the policy, the applicant will immediately notify R-T Specialty, LLC of such changes, and the Insurer may modify or possibly withdraw any outstanding quotations and/or agreements to bind the insurance.

The applicable state taxes & surcharges have been applied to the quote. **Please note: such taxes & surcharges are subject to change.**

Quote/Coverage Summary

Company	Western World Insurance Co.	A. M. Best Rated A+	Non-Admitted
Form	Commercial Package Policy		

COMMERCIAL GENERAL LIABILITY

Premium Summary	Premium	\$500.00
-----------------	---------	----------

PROPERTY

Premium Summary	Premium	\$1,162.00
-----------------	---------	------------

Locations:

PREMISES #1 520 Broadway Ave, Winnie, TX 77665

PREMIUM SUMMARY

Policy Term	11/15/2019 To 11/15/2020	
Premium Summary	Premium	\$1,662.00
	Stamping Fee	\$2.94
	Surplus Lines Tax	\$95.16
	Policy Fee	\$200.00
	Inspection Fee	\$100.00
	Total	\$2,060.10

The applicant(s) agrees that if the information supplied on or in connection with this proposal form changes between the date of this proposal form and the inception date of the policy, the applicant will immediately notify R-T Specialty, LLC of such changes, and the Insurer may modify or possibly withdraw any outstanding quotations and/or agreements to bind the insurance.

The applicable state taxes & surcharges have been applied to the quote. **Please note: such taxes & surcharges are subject to change.**