

12

AGENDA ITEM REQUEST FORM

Hays County Commissioners Court

Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

AGENDA ITEM

Ratify the County's payment of approximately half of the closing costs from the lease/purchase of approximately 10 acres by New Canaan Farms.

ITEM TYPE	MEETING DATE	AMOUNT REQUIRED
CONSENT	May 14, 2013	\$1,236.80

LINE ITEM NUMBER

001-645-00.5399

AUDITOR USE ONLY

AUDITOR COMMENTS:

Recommend paying out of the Contingency line item.

PURCHASING GUIDELINES FOLLOWED: N/A

AUDITOR REVIEW: BILL HERZOG

REQUESTED BY	SPONSOR	CO-SPONSOR
Kennedy	WHISENANT	N/A

SUMMARY

After the Commissioners Court considered the New Canaan item on or about April 23, 2013, counsel discussed the matter of closing costs with legal counsel for New Canaan. New Canaan pointed out that the original agreement (which was passed in 1994) did not clearly dictate who would take the costs of title insurance, etc. Traditionally, that is a cost that is assessed against the seller (in this case, Hays County), so the title company had drafted the HUD1 statements to reflect that. After negotiation, the parties agreed to split the costs, reducing the amount paid for Closing by the County by \$1,255.

A. Settlement Statement

U.S. Department of Housing
and Urban Development

OMB No. 2502-0265

B. Type of Loan

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv Unins	6. FIC Number 1308674-DRP	7. Loan Number	8. Mortgage Ins Case Number
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv Ins.	6. <input type="checkbox"/> Seller Finance			
7. <input type="checkbox"/> CASH SALE					

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 New Cassan Farms P. O. Box 386 Dripping Springs, TX 78620	E. Name & Address of Seller The County of Hays Texas	F. Name & Address of Lender
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G. Property Location Lot Number 1, which consists of 10 Acres more or less, out of the K-Bar-Mac recorded subdivision in Hays County W, Highway 290 Dripping Springs, TX 78620	H. Settlement Agent Name Independence Title Company 9442 Capital of Texas Hwy Bldg. 2, Suite 200 Austin, TX 78759 Tax ID: 47-0951111 Underwritten By: First American California Place of Settlement Independence Title Company 310 US Hwy 290 W, Suite A Dripping Springs, TX 78620	I. Settlement Date 4/24/2013 Fund:
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J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due from Borrower		400. Gross Amount Due to Seller	
101. Contract Sales Price	\$317,205.60	401. Contract Sales Price	\$317,205.60
102. Personal Property		402. Personal Property	
103. Settlement Charges to borrower	\$1,255.50	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. Property taxes		406. Property taxes	
107. City property taxes		407. City property taxes	
108. County property taxes		408. County property taxes	
109. School property taxes		409. School property taxes	
110. HOA Dues		410. HOA Dues	
111. MUD Taxes		411. MUD Taxes	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
116.		416.	
120. Gross Amount Due From Borrower	\$318,461.10	420. Gross Amount Due to Seller	\$317,205.60
200. Amounts Paid By Or in Behalf Of Borrower		500. Reductions in Amount Due to Seller	
201. Deposit or earnest money		501. Excess Deposit	
202. Principal amount of new loan(s)		502. Settlement Charges to Seller (line 1400)	\$1,236.80
203. Existing loan(s) taken subject to		503. Existing Loan(s) Taken Subject to	
204. Loan Amount 2nd Lien		504.	
205.		505.	
206.		506.	
207. Payments made to Hays County	\$297,425.19	507. Payments made to Hays County	\$297,425.19
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. Property taxes		510. Property taxes	
211. City property taxes		511. City property taxes	
212. County property taxes		512. County property taxes	
213. School property taxes		513. School property taxes	
214. HOA Dues		514. HOA Dues	
215. MUD Taxes		515. MUD Taxes	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	\$297,425.19	520. Total Reduction Amount Due Seller	\$298,661.99
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross Amount due from borrower (line 120)	\$318,461.10	601. Gross Amount due to seller (line 420)	\$317,205.60
302. Less amounts paid by/for borrower (line 220)	\$297,425.19	602. Less reductions in amt. due seller (line 520)	\$298,661.99
303. Cash From Borrower	\$21,035.91	603. Cash To Seller	\$18,543.61

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

			Paid From	Paid From
			Borrower's	Seller's
			Funds at	Funds at
			Settlement	Settlement
700. Total Sales/Broker's Commission based on price	\$317,205.60	@ % = \$0.00		
Division of Commission (line 700) as follows:				
701.	to			
702.	to			
703. Commission Paid at Settlement			\$0.00	\$0.00
704. The following persons, firms or	to			
705. corporations received a portion	to			
706. of the real estate commission amount	to			
707. 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. Underwriting Fee	to			
808. Flood Cert Fee	to			
809. Processing Fee	to			
810. Tax Services	to			
900. Items Required by Lender To Be Paid in Advance				
901. Interest from 4/24/2013 to 5/1/2013 @ \$0/day				
902. Mortgage Insurance Premium for months	to			
903. Hazard Insurance Premium for years	to			
904. 2nd Lien Interest	to			
1000. Reserves Deposited With Lender				
1001. Hazard insurance	months @	per month		
1002. Homeowner's insurance	months @	per month		
1003. Property taxes	months @	per month		
1004. City property taxes	months @	per month		
1005. County property taxes	months @	per month		
1006. School property taxes	months @	per month		
1007. MUD Taxes	months @	per month		
1008. HOA Dues	months @	per month		
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 Fitzgerald & Fitzgerald Law Office		\$60.00	
1106. Notary fees	to			
1107. Attorney's fees	to			
(includes above items numbers:)				
1108. Title insurance	to Independence Title Company		\$1,001.50	\$1,001.50
(includes above items numbers:)				
1109. Lender's coverage	\$0.00/\$0.00			
1110. Owner's coverage	\$317,205.60/\$2,003.00			
1111. Escrow fee	to Independence Title Company		\$150.00	\$150.00
1112. State of Texas Policy Guaranty Fee	to Texas Title Insurance Guaranty Assoc		\$2.00	\$0.00
1113. Courier/Overnight Fees	to Independence Title Company		\$15.00	\$15.00
1114. e-Recording	to Independence Title Company		\$3.00	\$3.00
1200. Government Recording and Transfer Charges				
1201. Recording Fees Deed \$24.00 ; Mortgage ; Rel \$24.00	to Independence Title Company		\$24.00	\$24.00
1202. City/county tax/stamps Deed ; Mortgage	to			
1203. State tax/stamps Deed ; Mortgage	to			
1204.	to			
1300. Additional Settlement Charges				
1301. Survey	to			
1302. Pest Inspection	to			
1303. HOA Transfer Fee	to			
1304. Home Warranty	to			
1305. Property Taxes	to			
1306. Tax Certificate	to Texas Real Tax Services, Ltd.			\$43.30
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)			\$1,255.50	\$1,236.80

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.

CLOSING VERIFICATION AND AGREEMENT

TITLE COMPANY: Independence Title Company

GF (FILE) NO: 1308674-DRP

DATE: April 24, 2013

BUYER(S): New Canaan Farms

SELLER(S): The County of Hays Texas

LENDER:

PROPERTY: W. Highway 290, Dripping Springs, TX 78620

By initialing one or more of the following items as may be appropriate for the transaction, each SELLER and/or BUYER acknowledges his understanding of the disclosures being made by TITLE COMPANY and affirms the representations made by them to TITLE COMPANY as indicated. Each such disclosure or representation may jointly benefit both TITLE COMPANY and its title insurance underwriter-in-interest. Singular reference to "Seller" and "Buyer" includes multiple individuals/entities identified above. Any numbered item that does not apply to this transaction may be crossed out.

Buyer's Initials

1) **WAIVER OF INSPECTION.** In consideration of the issuance by TITLE COMPANY to BUYER of an Owner Policy of Title Insurance insuring good and indefeasible title to the Property subject to the Policy's terms and conditions, BUYER hereby waives any obligation on the part of TITLE COMPANY to inspect the Property. BUYER agrees to accept an Owner Policy containing the following Schedule "B" exception: "RIGHTS OF PARTIES IN POSSESSION". Within the meaning of this exception, "possession" shall include open acts or visible evidence of occupancy and 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 which the Property is located. BUYER agrees to be fully responsible for inspecting the Property to determine the rights of any party in possession and assumes full responsibility for obtaining possession from its present occupants, if any.

Buyer's Initials

3) **RECEIPT OF COMMITMENT.** BUYER acknowledges having received and reviewed a copy of the preliminary Title Commitment issued in connection with the above-referenced transaction and understand that BUYER's Owner Policy will contain the exceptions set forth in Schedule "B" of the Commitment, together with any additional exceptions to title resulting from the documents involved in this transaction, any additional exceptions to title resulting from the final search of public records, and any additional exceptions for items shown on Schedule C of the Commitment for Title Insurance which have not been resolved prior to issuance of the Owner Policy.

Buyer's Initials

4) **UNSURVEYED PROPERTY.** BUYER understands that no survey of the Property has been done in connection with this transaction and that the Owner Policy to be issued to BUYER will not provide title insurance coverage against encroachment of improvements, boundary conflicts, or other matters that would be found by a current survey. TITLE COMPANY has not attempted to determine if the Property lies in a special flood hazard area, and 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.

Seller's Initials Buyer's Initials

9) ERRORS AND OMISSIONS. In the event that any of the documents prepared in connection with the closing of the 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 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.

Seller's Initials Buyer's Initials

10) CLOSING DISCLAIMER. The Seller and the Buyer each acknowledge their understanding that the above-referenced transaction is not yet "closed". Any change in possession of the Property takes place at Buyer's and Seller's sole risk. This transaction has not legally "closed" until:
(a) all title requirements are completed to the satisfaction of the Title Company;
(b) all necessary documents are properly reviewed, executed and accepted by the parties to this transaction and by the Title Company;
(c) all funds are collected and delivered to and accepted by the parties to whom they are due; and
(d) all necessary documents are filed of record in the office of the appropriate public records. The Seller and Buyer also understand that neither the Title Company nor its underwriter-in-interest is under any obligation to defend possession of the Property or to insure title to the Property until such time as the above-stated requirements have been fulfilled.

SELLER'S SIGNATURE(S):

BUYER'S SIGNATURE(S):

The County of Hays Texas

New Canaan Farms, Inc.

[Handwritten Signature]
By: Mark D Kennedy

By: Cynthia Figer, President

SELLER'S FORWARDING ADDRESS:

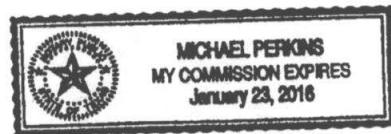
BUYER'S FORWARDING ADDRESS:

111 E. SAN ANTONIO, Suite 300
SAN MARCOS, TX 78666

STATE OF Texas
COUNTY OF Hays

This instrument was acknowledged before me on the 24th day of April, 2013 by Mark D. Kennedy, Chief for County of Hays Texas.

[Handwritten Signature]
NOTARY PUBLIC, STATE OF TEXAS



STATE OF Texas
COUNTY OF Hays

This instrument was acknowledged before me on the 24th day of April, 2013 by New Canaan Farms.

NOTARY PUBLIC STATE OF TEXAS

Disbursement Instructions

Date: 4-24-13

Seller: The County of Hays Texas

Property Address: W. Highway 290, Dripping Springs, TX 78620

Escrow Agent: Independence Title Company

Instructions to Escrow Agent

We, the undersigned Sellers, do hereby agree and instruct Escrow Agent to wire the Seller's Net Proceeds in the following manner:

ABA (routing number to bank): [REDACTED]

Bank Name: Sage Capital Bank


Account Number: [REDACTED]

Name on Account: Hays County General Fund

Address: 2205 Hunter Road, San Marcos, TX 78667

Seller(s):

The County of Hays Texas


By: Mark D. Kennedy

Affidavit of Debts and Liens

THE STATE OF TEXAS §
 §
COUNTY OF Hays §

BEFORE ME, the undersigned authority, on this day, personally appeared the undersigned (hereinafter called Affiant) (whether one or more) and each on his oath, deposes and says, as follows:

1. Affiant is the owner of the following described property, to-wit:

Lot 1, K-BAR-MAC, a subdivision in Hays County, Texas, according to the map or plat thereof recorded in Book 5, Page 345, Plat Records, Hays County, Texas.

2. Affiant is desirous of selling the above described property and has requested Independence Title Company, agent of First American Title Insurance Company, to issue a title policy guarantying the title of same to this purchaser.

3. In connection with the issuance of such policy, Affiant makes the following statement of facts:

- a. That Affiant owes no past due Federal or State taxes and that there are no delinquent Federal assessments presently existing against Affiant, and that no Federal or State Liens have been filed against Affiant.
- b. That there are no delinquent State, County, City, School District, Water District or other governmental agency taxes due or owing against said property and that no tax suit has been filed by any State, County, Municipal Water District or other governmental agency for taxes levied against said property.
- c. All labor and material used in the construction of improvements or repairs, if any, on the above described property have been paid for and there are now no unpaid labor or material claims against the improvements or repairs, if any, or the property upon which same are situated, and Affiant hereby declares that all sums of money due for the erection of improvements or repairs, if any, have been fully paid and satisfied and there are no Mechanic's or Materialmen's liens against the hereinabove property.
- d. That no paving assessments or lien has been filed against the hereinabove described property, and Affiant owes no paving charges.
- e. That there are no judgment liens filed against Affiant.
- f. That there are no suits pending against the Affiant in Federal or State Court.
- g. That Affiant knows of no adverse claim to the hereinabove described property and that so far as Affiant knows there are no encroachments or boundary conflicts.
- h. That there are no outstanding home improvements loans, recorded or unrecorded, except as follows:

_____ NONE _____

- i. That Affiant has not heretofore sold, contracted to sell or conveyed any part of said property other than in connection with this sale.
- j. No unpaid debts for electric or plumbing fixtures, water heaters, floor furnaces, air

conditioners, radio for television antennae, carpeting, rugs, lawn sprinkling systems, venetian blinds, window shades, draperies, electric appliances, fences street paving, or any personal property or fixtures that are located on the subject property described above, and that no such items have been purchased on time payment contracts, and there are no security interests on such property secured by financing statements, security agreement or otherwise except the following:

Secured Party	Approximate Amount
_____	_____
NONE _____	_____
_____	_____

k. No loans of any kind secured by such property except the following:

Creditor	Approximate Amount
_____	_____
Hays county _____	_____
_____	_____

l. There are no parties in possession of the property, by virtue of claim(s) of right, tenancy under written or unwritten lease(s), overlapping of improvements from adjoining properties, physical possession of any portion of the property, or otherwise, except the following:

_____	_____
NONE _____	_____
_____	_____

4. Affiant recognizes that but for the making of the hereinabove statements of fact relative the hereinabove described property Independence Title Company, would not issue a title policy on said property and that such statements have been made as a material inducement for the issuance of such policy.

WITNESS my hand this the 24th day of April, 2013.

The County of Hays Texas


By: Mark D. Kennedy

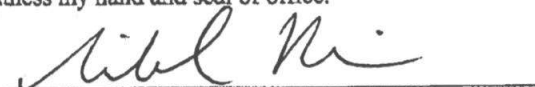
THE STATE OF Texas §

COUNTY OF Hays §

BEFORE ME, the undersigned authority, on this day personally appeared The County of Hays Texas and having been duly sworn, states that, to the best of his or her knowledge, the foregoing Affidavit of Debts and Liens is true and correct in every respect and is a correct and complete statement of the matters to which it relates.

SUBSCRIBED AND SWORN TO BEFORE ME BY Mark D. Kennedy, Chief for The County of Hays Texas on this the 24th day of April, 2013, to certify which witness my hand and seal of office.




Notary Public, State of Texas

General Warranty Deed

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from any instrument that transfers an interest in real property before it is filed for record in the public records: your Social Security number or your driver's license number.

Date: April ~~21~~, 2013

Grantor: THE COUNTY OF HAYS, TEXAS

Grantor's Mailing Address:

111 E. San Antonio, Suite 300
SAN MARCOS, TX 78666
Hays County

Grantee: NEW CANAAN FARMS, INC., a Texas corporation

Grantee's Mailing Address:

P.O. Box 386
Dripping Springs, Texas 78620
Hays County

Consideration: Cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in satisfaction of Lease Purchase agreement dated April 8, 1994, by and between Grantor and Grantee.

Property (including any improvements):

Lot 1, K-BAR-MAC, a subdivision in Hays County, Texas, according to the map or plat thereof recorded in Book 5, Page 345, Plat Records, Hays County, Texas.

Reservations from Conveyance: None.

Exceptions to Conveyance and Warranty: Liens described as part of the Consideration and any other liens described in this deed as being either assumed or subject to which title is taken; validly existing easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded and validly existing restrictions, reservations, covenants, conditions, oil and gas leases, mineral interests, and water interests outstanding in persons other than Grantor, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; and taxes for 2013, which Grantee assumes and agrees to pay,

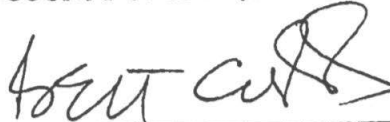
and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the 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 way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

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

THE COUNTY OF HAYS, TEXAS

by:

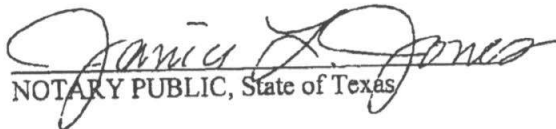
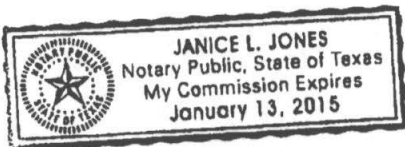


BERT COBB, County Judge

STATE OF TEXAS §

COUNTY OF HAYS §

This instrument was acknowledged before me on the 24th day of April, 2013, by BERT COBB, County Judge of THE COUNTY OF HAYS, TEXAS, on behalf of said entity.



NOTARY PUBLIC, State of Texas