

DAVID K. SERGI
David@sergilaw.com
Licensed in Texas and California

KATIE FRANK
Katie@sergilaw.com
Licensed in Texas Only

DAVID K. SERGI & ASSOCIATES PC

329 S. GUADALUPE
SAN MARCOS, TEXAS 78666
WWW.SERGILAW.COM
PHONE: 512-392-5010/FAX: 512-392-5042

ANTHONY J. FUSCO
Tony@sergilaw.com
Licensed in Texas Only

WALTER PRENTICE
W.prentice@sbcglobal.net
Licensed in Texas Only
Of Counsel

March 18, 2022

Crestwood Center/UC2, LTD.
Attn.: James Umstattd
Attn.: Thomas G. Umstattd
3355 Bee Cave Rd, Ste 700
Austin, TX 78746

Re: Warranty Deed With Vendor's Lien and the Reciprocal Easement Agreement

Dear Sirs,

Our firm has been retained to represent Holman Farrar Holdings, LLC. We are writing this letter on their behalf. As you are no doubt aware my clients own the property located at 1850 Ranch Road, San Marcos, TX 78666 which is adjacent to your property located at 1904 Ranch Road 12, San Marcos, TX 78666. As you are also aware your property has benefited from a Reciprocal Sewage Easement, as described below. Under the terms of the easement, we are giving you notice that my client is entering into an agreement to obtain city sewage services. Once the city services are in place, my client will be terminating the Reciprocal Easement Agreement initially entered into on, or about, September 9, 1988 and updated on, or about, February 24, 1997. After that time, you will need to make other arrangements for sewage and water services. In a gesture of good will we are notifying you of the changing circumstances, in advance, in order to minimize any disruption to you or your tenants.

BACKGROUND

On September 9, 1988 William Rader sold a 1.104 acre tract of land to Calvin Ray Triesch. This tract of land is the property currently owned by my client and the site of Ranch Road Storage. An easement for access and use of the water well and septic system, by the adjoining property, was retained by William Rader in that initial deed. The easement was updated by a Reciprocal Easement Agreement, between Calvin Triesch and the then owners of the adjoining property (the current location of the Crestwood Center), Brian

Rodgers and Kevin Reichle, dated February 24, 1997. Paragraph 3 of the Reciprocal Easement Agreement states the following:

The Septic System easement is an easement appurtenant that shall "run with the land" to benefit the Rader Tract until the improvements on the Rader Tract are connected to a municipal sewer system and the use of the septic system for the Rader Tract is no longer necessary.

And, Paragraph 4 of the Reciprocal Easement Agreement states the following:

The Water Well Easement is an easement appurtenant that shall "run with the land" to benefit the Triesch Tract until the improvements on the Triesch Tract are connected to a municipal water system making the use of the water well no longer necessary.

CURRENT NOTICE

Our client, Hollman-Farrar Holdings, LLC, purchased the property located at 1850 Old Ranch Road 12, San Marcos, TX 78666 from the S.C. Maxwell Family Partnership Ltd., on June 28, 2018 with the intention of developing it. In furtherance of that goal, they have been working with the City of San Marcos to allow annexation of the property into the city. The City of San Marcos is amenable to this annexation. To comply with the City of San Marcos requirements our client is currently purchasing additional feet of sewage extension line so that his property can be connected to the city sewer system. The city of San Marcos has recently approved posting the construction of this extension for bids to be submitted and is moving forward with the process. That bid submission and approvals process should take between 60 and 90 days. Once a bid is accepted the work will begin and the construction should be completed by the end of the year, at the latest.

As part of our client's agreement with the City of San Marcos, they are required to terminate the easement agreement with you pursuant to the language in the "Septic System and Water Well Grant and Reservation" of the Warranty Deed With Vendor's Lien and the Reciprocal Easement Agreement (included with this letter). As noted above, the "Septic System and Water Well Grant and Reservation" specifically states that the granted easement "shall remain in existence only so long as the City of San Marcos is not furnishing sewer and water facilities to both of said tracts." Water and sewer will be available to you, through the City of San Marcos, as of the date the construction is completed. After that time, our client will no longer provide water and/or septic services to you. This may be as soon as 180 days from the date of this letter.

We are trying to give you as much notice as possible about the changes that are occurring. The City of San Marcos is willing to provide water and sewer services to your property at the same time they begin to service our client's property. Our client has been working with Richard Reynosa, the Assistant Director-DEV/CIP at the City of San Marcos, and found him very easy to work with. His email address is rreynosa@sanmarcostx.gov. Our client has also used Hugo Elizondo, Jr. with Cuatro Consultants, Ltd. for the engineering work. He is already familiar with this project and he may be able to help you quickly. If you are interested in working with Mr Elizondo his phone number is (512) 565-9040. Our client will be happy to share the contact information for the construction firm as soon as they have been chosen to help minimize your costs of connection.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me at (512) 392-5010.

Sincerely,

A handwritten signature in black ink, appearing to read "David K. Sergi", written over a horizontal line.

David K. Sergi
Managing Partner
Sergi & Associates, PC

Enclosures:

*Septic System and Water Well Grant
Reservation and Reciprocal Easement Agreement*

EXHIBIT "B"

SEPTIC SYSTEM AND WATER WELL GRANT AND RESERVATION

There is a septic system located on the 1.104 acre tract of land in the THOMAS W. FORSYTH SURVEY, described by metes and bounds in EXHIBIT "A" hereof, and there is a water well located on the 1.395 acre tract, owned by Winfield S. Rader, located in a westerly direction from said 1.104 acre tract, said two tracts of land being separated only by a fifty (50') foot roadway. Full access to and use of said septic system by grantor, his heirs and assigns, and his tenants occupying said 1.395 acre tract, is hereby reserved by grantor. Access to and use of said well, by grantee, his heirs and assigns, and his tenants occupying said 1.104 acre tract, in common with grantor, his heirs, assigns and tenants, is hereby granted by grantor. This reservation and grant shall remain in existence only so long as the City of San Marcos is not furnishing sewer and water facilities to both of said tracts.

750 174

FILED
HAYS COUNTY, TEXAS
SEP 9 PM 2 08
Deputy Clerk
COUNTY CLERK

STATE OF TEXAS
COUNTY OF HAYS

I hereby certify that this instrument was FILED on
the date and at the time stamped hereon by me and was duly
RECORDED, in the Volume and Page of the named RECORDS
at San Marcos, Texas, as stamped hereon.

SEP 9 1988

RECIPROCAL EASEMENT AGREEMENT

This Reciprocal Easement Agreement (the "Agreement") is entered into by Rodgers & Reichle, Inc., a resident of Travis County, Texas, herein referred to as "Rodgers & Reichle" and Calvin Ray Triesch, a resident of Hays County, Texas, herein referred to as "Triesch."

Background

A. By Warranty Deed with Vendor's Lien (the "Deed") dated September 9, 1988, recorded at Volume 750, page 171-174, Real Property Records of Hays County, Texas, Winfield S. Rader conveyed to Mr. Triesch a 1.104 acre tract of land, more or less, (the "Triesch Tract") out of the Thomas W. Forsyth Survey in Hays County, Texas, more particularly described by metes and bounds in Exhibit "A" attached to said Deed, which description is incorporated herein by reference for all pertinent purposes.

B. Pursuant to the Terms of Exhibit "B" attached to the Deed, Winfield S. Rader reserved an easement encumbering the Triesch Tract to provide access to and use of a septic system located on the Triesch Tract to serve improvements located on a 1.395 acre tract owned by Mr. Winfield Rader (the "Rader Tract") located westerly from the Triesch Tract on the other side of a fifty foot (50') wide roadway, ("Crestwood Street"). The Rader Tract is the location of a commercial strip center called "Crestwood Center", being sold by Rodgers & Reichle to the Umstattds.

C. Exhibit "B" to the Deed also granted to Triesch an easement encumbering the Rader Tract to provide access to and use of a water well located on the Rader Tract to serve improvements located on the Triesch Tract.

D. Rodgers & Reichle and Triesch desire to state in greater detail their rights and obligations with respect to the easements described in Exhibit "B" to the Deed.

NOW, THEREFORE, in consideration of the mutual promises and covenants stated in this Agreement, Rodgers & Reichle and Triesch agree as follows:

1. The Triesch Tract: The Triesch Tracts: 2 lots being 1.104 acres total ± is described by metes and bounds in Exhibit "A" as filed in Volume 750, Page 173 attached hereto and incorporated herein by reference for all pertinent purposes.

2. The Rader Tract: The Rader Tract: 5 parcels totalling 1.45 acres total ± being purchased by Umstattd is described by metes and bounds in Exhibit "B" attached hereto and incorporated herein by reference for all pertinent purposes.

3. Grant of Septic System Easement: Mr. Triesch hereby grants to Rodgers & Reichle

(Owner of Rader Tract) and his or her heirs, executors and administrators a non-exclusive easement (the "Septic System Easement") across the Triesch Tract to provide access to and use of the septic system located on the Triesch Tract. The Septic System easement is an easement appurtenant that shall "run with the land" to benefit the Rader Tract until the improvements on the Rader Tract are connected to a municipal sewer system and the use of the septic system for the Rader Tract is no longer necessary. The Septic System Easement shall encumber so much of the Triesch Tract as may be necessary to reasonably connect to and utilize the septic system currently located on the Triesch Tract. The Septic System Easement is non-exclusive and shall not prevent Triesch and his heirs, executors, administrators, successors and or assigns from using the Triesch Tract for any purposes that do not unreasonably interfere with the use of the septic system on the Triesch Tract.

4. Grant of Water Well Easement: Rodgers & Reichle hereby grants to Triesch and his heirs, executors and administrators a non-exclusive easement (the "Water Well Easement") across the Rader Tract to provide access to and use of the water well located on the Rader Tract. The Water Well Easement is an easement appurtenant that shall "run with the land" to benefit the Triesch Tract until the improvements on the Triesch Tract are connected to a municipal water system making the use of the water well no longer necessary. The Water Well Easement shall encumber so much of the Rader Tract as may be necessary to reasonably connect to and utilize the water well currently located on the Rader tract. The Water Well easement is non-exclusive and shall not prevent Rodgers & Reichle and their heirs, executors, administrators, successors and or assigns from using the Rader Tract for any purposes that do not unreasonably interfere with the use of the water well on the Rader Tract.

5. Maintenance and Repair of the Septic System and Water Well: Rodgers & Reichle and Triesch agree to cooperate with one another to operate, repair and maintain the septic system and water well in an efficient, inexpensive manner to ensure that continuous septic system and water well service is provided at all times to the Rader Tract and to the Triesch Tract. The costs of operating, maintaining and repairing the septic system and the water well shall be borne by the property owner where the utility is located. In the event of a failure of either the well or the septic, and after reasonable attempt to notify the property owner responsible for the particular repair, then either owner may cause the malfunctioning well or septic to be inspected and repaired. Such repair would be at the expense as mentioned above and invoice(s) from the company resolving or making repair will be sent to the other property owner for reimbursement. If the party receiving the invoice does not reimburse the other party for the cost within a thirty (30) day period, the party that incurred the expense will have a lien against the other party's property to secure the reimbursement of the expense. The party entitled to receive the reimbursement may file a notice of the lien the Real Property Records of Hays County, Texas, and foreclose the lien according to the terms of Section 52.001 of the Texas Property Code. *owner of the "Rader Tract" agrees to have his part of the septic tank pumped on an annual basis, if necessary.*

6. Amendment: This Agreement may not be amended except by a written document signed by the owners of both the Triesch Tract and the Rader Tract, and filed in the Hays County Courthouse.

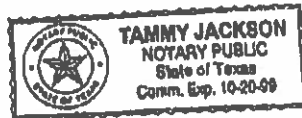
ACKNOWLEDGED AND AGREED to by the following property owners:

Calvin R. Triesch 2/24/97 Brian Rodgers 2-24-97
Calvin Ray Triesch Date Brian Rodgers Date

Kevin Reichle 2/24/97
Kevin Reichle Date

State of Texas NAUP
County of

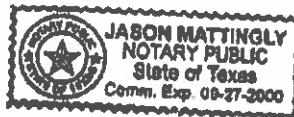
This instrument was acknowledged before me on the 24 day of February
1997 by Calvin Ray Triesch.



Tammy Jackson
Notary Public, State of Texas
County of NAUP
My commission Expires 10/99

State of Texas
County of TRAVIS

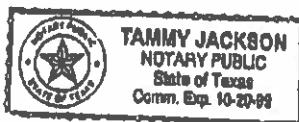
This instrument was acknowledged before me on the 24th day of February
1997, by Brian Rodgers.



Jason Mattingly
Notary Public, State of Texas
County of TRAVIS
My commission Expires 9-27-2000

State of Texas
County of NAUP

This instrument was acknowledged before me on the 24 day of February
1997 by Kevin Reichle.



Tammy Jackson
Notary Public, State of Texas
County of NAUP
My commission Expires 10/99