Bob Heyen Realty

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ACRES:

281.879 acres, more or less, last surveyed in September 2011.

LOCATION:

Approximately 17 miles south of Hondo, 12 miles west of Devine, and 50 miles southwest of downtown San Antonio in Medina County, Texas with frontage on FM 462 and CR 7410. The home physical address is 730 CR 7410, Yancey, Texas 78886.

PRICE:

\$1,500,000.00.

TERMS:

Cash to Seller and/or third party financing. Seller shall have the right to enter into an IRC Section 1031 Tax Deferred Exchange.

MINERALS:

Seller shall convey all minerals owned with exact conveyance to be determined by new title commitment. The current mineral ownership is believed to be as follows: A.) across approximately 97.5 acres Seller owns 100% executive rights and 100% mineral estate subject to prior reservations of a one-sixteenth non-participating royalty interest and a one-thirty-second non-participating royalty interest; B.) across approximately 97.5 acres Seller owns 100% executive rights and 100% mineral estate subject to a prior reservation of a one-sixteenth non-participating royalty interest; and C.) across approximately 86.913 acres Seller owns 100% executive rights and an undivided one-half of the oil, gas, and minerals. The property is not currently under an oil and gas lease and there are no producing wells.

WATER:

This ranch has a lot of water! A Wilcox Aquifer irrigation well to about 430' with three-phase electric submersible pump at about 360', produces about 100 G.P.M., furnishes a large lined earthen holding tank, and is permitted for 400 acre-feet per calendar year by the Medina County Groundwater Conservation District. Another Wilcox Aquifer well to about 200' with electric submersible pump, produces about 35 G.P.M., equipped with 4,800 gallon storage tank/pump house/pressure system, and furnishes 6 remote livestock troughs along with several outlets around the headquarters area. A Yancey Water Supply Corporation water meter furnishes the home and 4 horse paddocks; a second meter supplies a remote livestock trough, and the third meter furnishes 2 equipment sheds located separately from the main headquarters area. Also 2 earthen tanks that capture rainfall runoff.

PROPERTY DESCRIPTION: Perimeter fenced and cross fenced into 13 main pastures with standard height barbed wire fencing in excellent condition as follows: about 86 acres of diverse south Texas type mesquite/brush/native grass cover with high protein browse for wildlife and two cleared wildlife food plots; 11 pastures with a lush stand of introduced grasses consisting of Tifton 85 hybrid bermuda (6), Wilman Lovegrass (2), Kleingrass (2), common bermuda grass (1); and a +/- 6 acre pasture reserved for annual planting. Terrain varies from nearly level to gently sloping with attractive views from the high point. Elevations range from about 650' to 700'. Soils are primarily productive sandy clay loams and fertile sandy loams.

281.879 Acres – con't Page 2

IMPROVEMENTS:

A beautiful home of approximately 2,400 sq. ft. (living area) custom built in 1986 with 3 bedrooms and 3 baths. Amenities include an open kitchen/breakfast/living area, separate dining, utility room, covered front entry porch, covered rear wrap around porch, 2 car attached garage, rock exterior, composition shingle roof, island kitchen with built-in desk and counter, rock fireplace, ceramic tile in kitchen/breakfast/ utility/bathrooms, carpet in living/dining/bedrooms, 2x6 insulated outer walls, newly installed double pane insulated "low-E" windows, ceiling fans, gambrel ceilings, stained wood trim throughout, stained wood paneled walls in living room, smoke/heat detectors, attic storage, and chain-link/pipe yard fence with large live oak and Spanish oak trees.

Other nice/well built improvements include an all weather entry drive to headquarters, 3-sided metal building (+/- 860 sq. ft.) with concrete floor/electricity, 4 horse paddocks, 3 dog kennels, pipe livestock working/holding/loading pens, 3-sided metal building (+/- 2,400 sq. ft.) with water/electricity (110 & 220) located separately from headquarters area, and an older equipment shed. Conveying with the sale is a 1,000 gallon bulk diesel storage tank with pump.

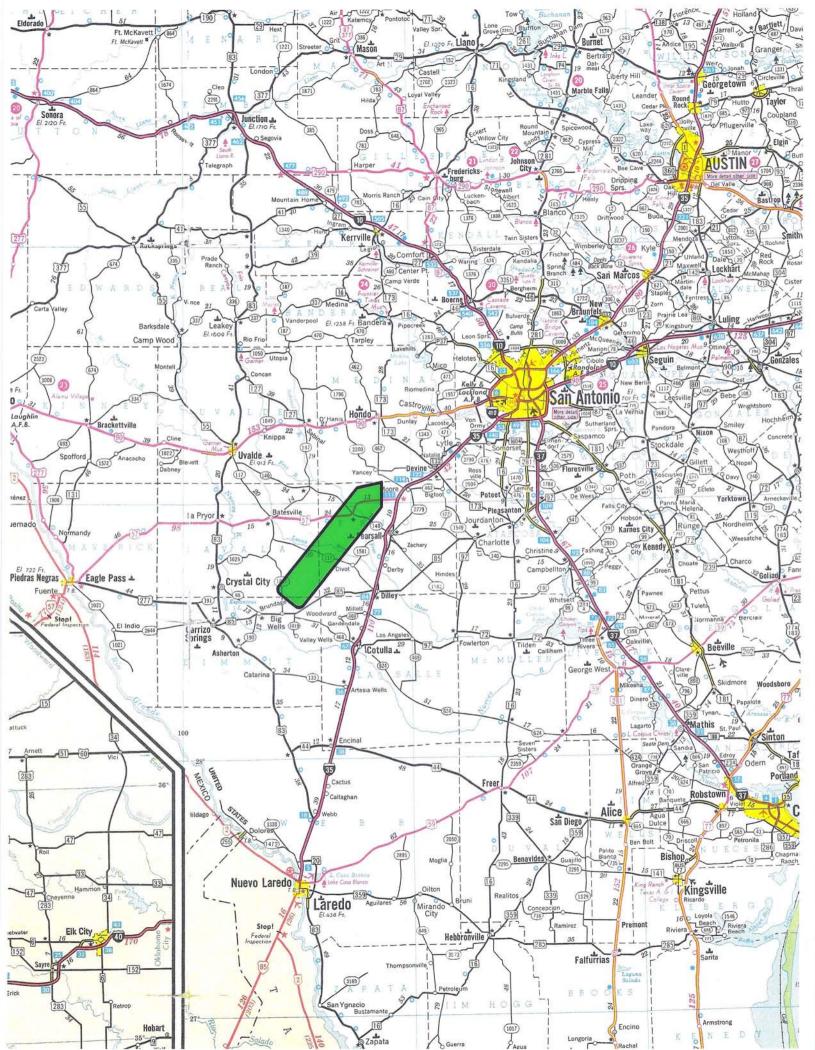
WILDLIFE:

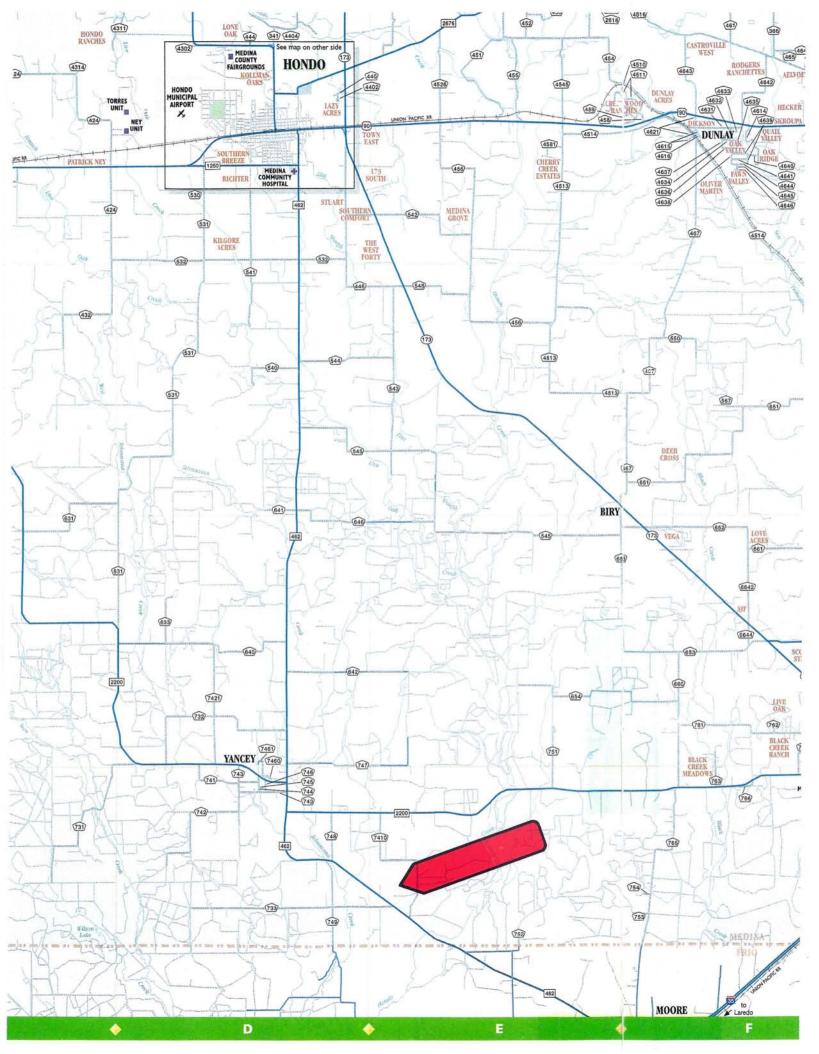
This area is known for good dove hunting! Also whitetail deer, quail, turkey, feral hog, coyote, bobcat, varmints, and others. The lined irrigation earthen holding tank has submerged structure for improved fish habitat and is stocked with Florida largemouth bass, channel catfish, and bluegill sunfish. Conveying with the sale are 2 enclosed hunting blinds with towers, 2 broadcast type wildlife feeders, 2 quail feeders, and a bulk free-choice pellet type game feeder (1,000 lb. capacity).

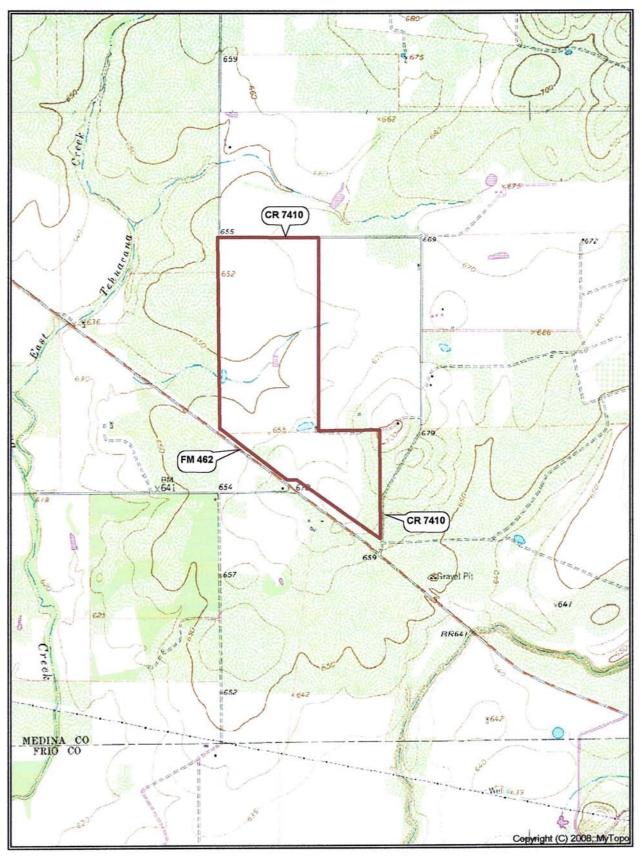
REMARKS:

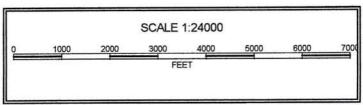
A well maintained ranch for weekend get-a-ways, permanent residence, hunting, raising livestock, producing hay, fishing, and more. Access to Hondo, Devine, Yancey or Moore is easy and it's less than an hour drive to San Antonio!

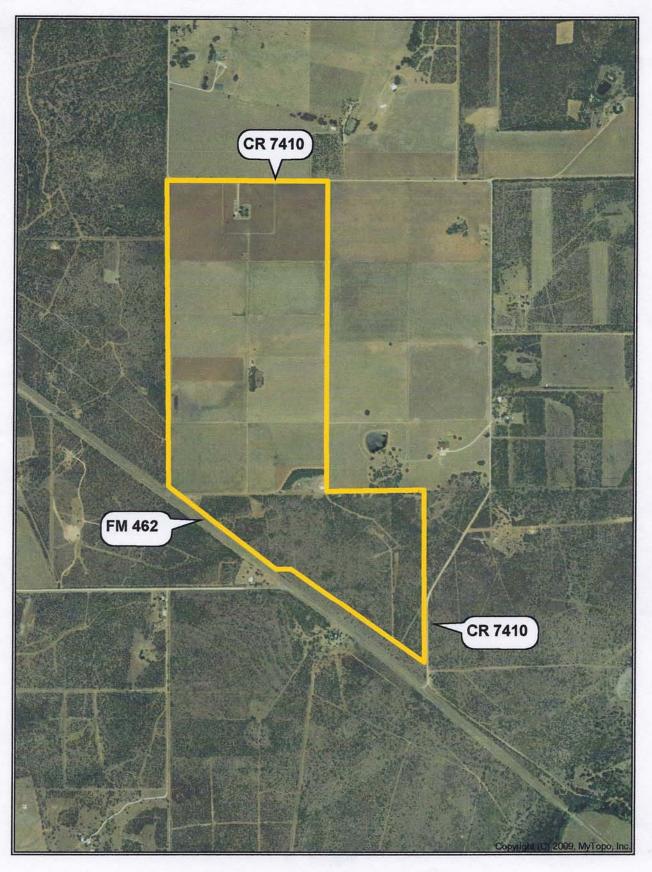
Although the broker has used reasonable care in obtaining data and making estimates and projections based upon that data, this material is submitted without representation or warranty. Generally, a substantial portion of information must be obtained from sources other than a broker's actual knowledge, and not all sources can be absolutely confirmed. Moreover, all information is subject to changes by the owner as to price or terms, to prior sale or lease, to withdrawal of the property from the market and to other events beyond the control of the broker. No representation is made as to the value of this possible investment; and the broker urges that you consult your business, tax and legal advisors before making a final determination.

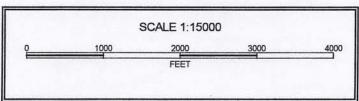


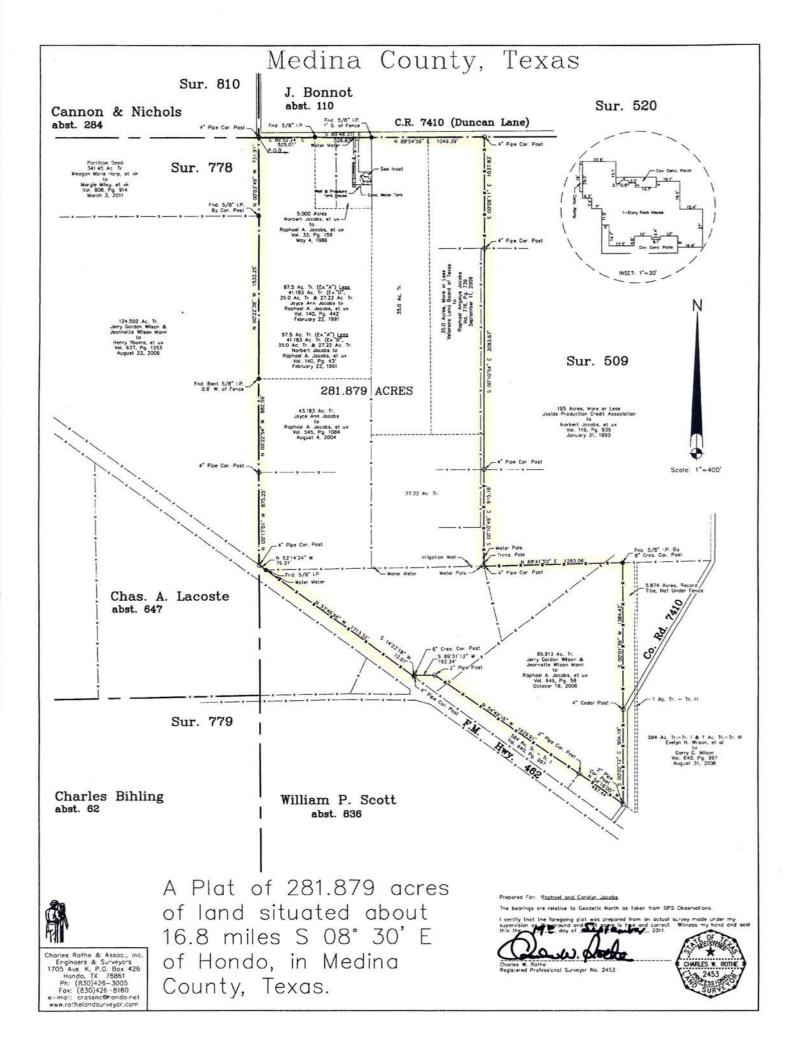


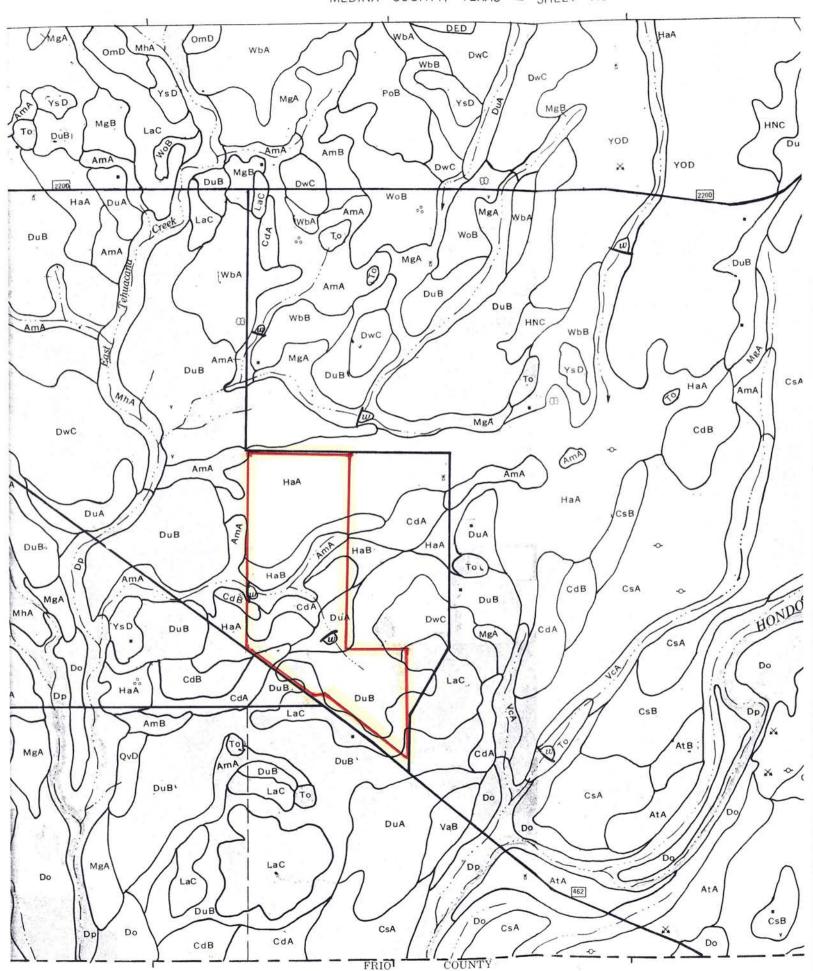














APPROVED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

SELLER'S DISCLOSURE OF PROPERTY CONDITION

CONCERNING THE PROPERTY AT home on 281.879 acres @ 730 CR 7410, Yancey, TX 78886 (Street Address and City) THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PURCHASER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS. Seller is Dis not occupying the Property. If unoccupied, how long since Seller has occupied the Property? 1. The Property has the items checked below [Write Yes (Y), No (N), or Unknown (U)]: Y Range ↑ Microwave 7 Dishwasher N Trash Compactor Disposal 7 Window Screens Y Washer/Dryer Hookups N Rain Gutters N Security System Fire Detection Equipment N Intercom System Y TV Antenna Dresco TV Smoke Detector Y Satellite Dish ✓ Ceiling Fan(s) ∑ Smoke Detector-Hearing Impaired
 Z Exhaust Fan(s) Y Central A/C V Carbon Monoxide Alarm N Wall/Window Air Conditioning ✓ Plumbing System Emergency Escape Ladder(s) N Public Sewer System ✓ Patio/Decking Cable TV Wiring Fences N Pool Attic Fan(s) N Spa N Hot Tub N Pool Equipment Central Heating / Automatic Lawn Sprinkler System Y Fireplace(s) & Chimney Septic System N Fireplace(s) & Chimney (Mock) (Woodburning) V Carport N Outdoor Grill N Gas Lines (Nat./LP) ✓ Garage:
 ✓ Attached Water Supply Y City Y Well N Sauna Not Attached MUD Co-op M Pool Heater Water Heater: Y Garage Door Electric Opener(s): Y Electronic(2) Controls SHINGLE COMBOSTION Are you (Seller) aware of any of the above items that are not in working condition, that have known defects or that are in need of repair?

Yes

No
Unknown If yes, then describe. (Attach additional sheets if necessary): 2. Does the property have working smoke detectors installed in accordance with the smoke detector requirements of Chapter 766, Health and Safety Code? 2 Yes D No D Unknown If the answer to the question above is no or unknown, explain. (Attach additional sheets if necessary):

Selle	ar's Disclosure Notice Concerning the Prop	erty at 730 CR 7410, Yancey (Street Address and City)	Page 2 01-01-2010	
•	Chapter 766 of the Health and Safety smoke detectors installed in accorda in which the dwelling is located, include on not know the building code required contact your local building official for detectors for the hearing impaired if in the dwelling is hearing impaired impairment from a licensed physician a written request for the seller to in locations for the installation. The prodetectors and which brand of smoke	nce with the requirements of the iding performance, location, and irements in effect in your area, your more information. A buyer ma: (1) the buyer or a member of; (2) the buyer gives the sellern; and (3) within 10 days after the nstall smoke detectors for the harties may agree who will bear	building code in effect in the area power source requirements. If you you may check unknown above or y require a seller to install smoke the buyer's family who will reside written evidence of the hearing he effective date, the buyer makes earing impaired and specifies the	
3.	Are you (Seller) aware of any known	defects/malfunctions in any of th	e following?	
	Write Yes (Y) if you are aware, write	No (N) if you are not aware.		
1	Interior Walls	1/2 Ceilings	11 Floors	
2	LExterior Walls	N Doors	Windows	
3	√ Roof	N Foundation/Slab(s)	Basement NA	
_	27	<u>D</u> Driveways	N Sidewalks	
	Plumbing Sewers/Septics Other Structural Components (Desc	レ Electrical Systems	<u></u> ∠ Lighting Fixtures	
4.	Are you (Seller) aware of any of the following conditions? Write Yes (Y) if you are aware, write No (N) if you are not aware.			
	M Active Termites (includes wood destroying insects)	Needing Repair	e 👱 Previous Termite Damage	
	N Previous Termite Treatment		Improper Drainage	
	M Water Penetration	∠ Located in 100-Year Floodplain	Present Flood Insurance Coverage	
	N Previous Structural or Roof Repair	∠ Hazardous or Toxic Waste	N Asbestos Components	
	<u>N</u> Urea-formaldehyde Insulation	<u>N</u> Radon Gas	N Lead Based Paint	
	N Aluminum Wiring	Previous Fires	Unplatted Easements	
	N Landfill, Settling, Soil Movement, F	Fault Lines	Subsurface Structure or Pits	
	Previous Use of Premises for Manufacture of Methamphetamine			
	If the answer to any of the above i	s yes, explain. (attach additional	sheets if necessary):	
5.	Are you (Seller) aware of any need of repair? U Yes (if you are a additional sheets if necessary).	item, egáipment, or system aware) 🖼 No (if you are not awa	in or on the Property that is in are). If yes, then describe. (Attach	

Sel	ler's Disclosure Notice Concerning the Property at 730 CR 7410, Yancey Page 3 01-01-2010 (Street Address and City)				
6.	Are you (Seller) aware of any of the following? Write Yes (Y) if you are aware, write No (N) if you are not aware.				
	N Room additions, structural modifications, or other alterations or repairs made without necessary permits or not in compliance with building codes in effect at that time.				
	Homeowners' Association or maintenance fees or assessments.				
	Any "common area" (facilities such as pools, tennis courts, walkways, or other areas) co-owned in undivided interest with others. Note: Any notices of violations of deed restrictions or governmental ordinances affecting the condition or use of the Property.				
	Any lawsuits directly or indirectly affecting the Property.				
	Many condition on the Property which materially affects the physical health or safety of an individual.				
	If the answer to any of the above is yes explain. (Attach additional sheets if necessary):				
Da	Beaches Act or the Dune Protection Act (Chapter 61 or 63, Natural Resources Code, respectively) and a beachfront construction certificate or dune protection permit may be required for repairs or improvements. Contact the local government with ordinance authority over construction adjacent to public beaches for more information. A Jacobs Date Carolyn A Jacobs Date Date				
Da	ate Date				



























