I, Dana DeBeauvoir, County Clerk, Travis County, Texas, do hereby certify that this is a true and correct copy as same appears of record in my office. Witness my hand and seal of office on 6-26-95

Dana DeBeauvoir, County Clerk
By Deputy: J. Bennink

J. BENNINK

CAUSE NO. 2186

FILED 19 98

95 JUN 19 AM 11

CITY OF AUSTIN	§	PROCEEDINGS IN EMINENT DOMAIN
	§	
V.	§	IN PROBATE COURT NO. 1
	§	
DANIEL RAY EASLEY, ET AL.	§	TRAVIS COUNTY, TEXAS

FILM CODE 00005301460

JUDGMENT OF COURT IN ABSENCE OF OBJECTION

BE IT REMEMBERED:

That on this date there came upon to be heard and considered the decision of the Special Commissioners filed on the 10th day of May, 1995, with the Judge of said Court in the above entitled and numbered cause, which is a condemnation proceeding in which the City of Austin is Condemnor,, and Daniel Ray Easley, owner, Carl Easley, lienholder, Travis County, Texas, lienholder, Travis County Fire District #8, lienholder, and Del Valle Independent School District, lienholder, are Condemnees.

It appears to the Court, and it is so found, that no objections to said decision were filed within the time provided by law and that said decision has been filed with the Clerk of this Court.

It is, therefore, ORDERED, ADJUDGED and DECREED by the Court as follows:

1. That said decision of said Special Commissioners be, and the same is hereby, made the Judgment of this Court.

2. That the Clerk of this Court records said decision in the minutes of this Court.

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

12467 0078

00333 0509

3. That the Special Commissioners did find and determine and accordingly assess the compensation due and owing to the Condemnees for said tract of land hereinafter described in Exhibit "A" to be the sum of TWENTY THOUSAND AND NO/100 DOLLARS ($20,000.00). Condemnor deposited this amount with the Court on the 24th day of May, 1995.

4. That by virtue of said decision of said Special Commissioners, the Condemnor is entitled to condemn and does hereby have judgment against the above-named Condemnees for the fee estate, vesting in the City of Austin the following described property situated in Travis County, Texas, and described as follows:

> All that certain tract, piece or parcel of land lying and being situated in the County of Travis, State of Texas, described in Exhibit "A" attached hereto and made a part hereof for all purposes, to which reference is here made for a more particular description of said property.

5. Condemnor is acquiring fee simple title to the real property described for the public purpose of constructing, reconstructing, maintaining and operating a Municipal Airport upon the tract of land described in Exhibit "A," however there is excluded from said estate to be condemned all the oil, gas and sulfur which can be removed from beneath said land aforesaid without any right whatever remaining to the Condemnees, their heirs, assigns or successors in interest, of ingress to or egress from the surface of said land for the purpose of exploring, developing, drilling, or mining of the same.

I, Dana DeBeauvoir, County Clerk, Travis County, Texas, do hereby certify that this is a true and correct copy as same appears of record in my office. Witness my hand and seal of office on 6 26 95

Dana DeBeauvoir, County Clerk
By Deputy: J. Bennink

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

6. That the Condemnor is hereby awarded a writ of possession for said fee simple estate and that the Clerk of this Court issue said writ of possession upon the request of the Condemnor.

7. That the costs of this proceeding are adjudged against the Condemnor. Such costs are to be paid to the County Clerk of Travis County, Texas.

SIGNED on this 13th day of June, 1995.

JUDGE PRESIDING

G:\easley\jao

I, Dana DeBeauvoir, County Clerk, Travis County, Texas do hereby certify that this is a true and correct copy as same appears of record in my office. Witness my hand and seal of office on 6-26-95

Dana DeBeauvoir, County Clerk
By Deputy J. BENNINK

00333 0511 REAL PROPERTY RECORDS TRAVIS COUNTY, TEXAS

12467 0080

I, Dana DeBeauvoir, County Clerk, Travis County, Texas, do hereby certify that this is a true and correct copy as same appears of record in my office. Witness my hand and seal of office on 6-26-95
Dana DeBeauvoir, County Clerk
By Deputy J. BENNINK

MACIAS & ASSOCIATES, Inc.
LAND SURVEYORS

EXHIBIT "A"
Page 1 of 2

NAPT FILE
Received:
MAR 23 1994
P# Q1000S
F# 3395 12
D# 37260

Daniel Ray Easley
to
City of Austin
Parcel 12
Land Acquisition Program
New Austin Airport
C.I.P. No. 488-817-0907

FIELD NOTES

FIELD NOTES FOR A PARCEL OF LAND CONTAINING 0.737 ACRES, LOCATED IN THE JOSE ANTONIO NAVARRO SURVEY, IN TRAVIS COUNTY, TEXAS; BEING THE SAME 0.737 ACRE PARCEL OUT OF A 1.00 ACRE PARCEL, SAVE AND EXCEPT A 0.263 ACRE PARCEL, BOTH DESCRIBED IN A WARRANTY DEED TO DANIEL RAY EASLEY RECORDED IN VOLUME 9300, PAGE 297, OF THE REAL PROPERTY RECORDS OF SAID TRAVIS COUNTY, SAID 0.737 ACRE PARCEL ALSO BEING OUT OF LOT 2, C.D. SMITH SUBDIVISION, RECORDED IN BOOK 65, PAGE 82 OF THE PLAT RECORDS OF SAID TRAVIS COUNTY; SAID 0.737 ACRE PARCEL BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING, at a 3/4" iron pipe found on the northwesterly right-of-way line of FM Road 973 South at the southernmost corner of said Lot 2, C.D. Smith Subdivision and said 1.00 acre parcel;

THENCE, N52°25'00"W 220.60 feet with the corner boundary between said Lot 2 and a 0.973 acre parcel out of Lot 1, described in a warranty deed recorded in Volume 11734, Page 1270, of the Real Property Records of said Travis County, to a 3/4" iron pipe found;

THENCE, N44°58'08"E 151.74 feet across said Lot 2 with the southeasterly boundary of said 0.263 acre parcel to a 3/4" iron pipe found on the common lot line between said Lot 2 and Lot 3, C.D. Smith Subdivision;

THENCE, S55°07'02"E 194.03 feet with said common lot line to a 3/4" iron pipe found at the easternmost corner of this parcel on said northwesterly right-of-way line of FM Road 973 South;

THENCE, S34°58'21"W 159.79 feet with said right-of-way line to the POINT OF BEGINNING, containing 0.737 acre of land.

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS
00333 0512
12467 0081

I, Dana DeBeauvoir, County Clerk, Travis County, Texas, do hereby certify that this is a true and correct copy as same appears of record in my office. Witness my hand and seal of office on 1-30-95

Dana DeBeauvoir, County Clerk
By Deputy: [illegible]

EXHIBIT "A"
Page 2 of 2
Parcel 12

STATE OF TEXAS |

COUNTY OF TRAVIS |

I hereby certify that this field note description was prepared from the results of an actual survey made on the ground under my supervision and that it is true and correct to the best of my knowledge.

MACIAS AND ASSOCIATES, INC.

STATE OF TEXAS
REGISTERED
HENRY A. DUFEAU
17070
LAND SURVEYOR

1-21-94

HENRY A. DUFEAU — DATE
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 17070

REFERENCES

Bearing Basis: Assumed NORTH Bearing between brass disks at both ends of primary runway 17R - 35L.
Austin Grid N - 14
TCAD# 3 - 3131 - 01 - 30

FIELD NOTES REVIEWED
By [illegible] Date 1/27/94
Engineering Support Section
Department of Public Works
and Transportation

REAL PROPERTY RECORDS
TRAVIS COUNTY TEXAS

00333 0513

12467 0082

FILED

'95 JUN 27 AM 10:45

TRAVIS COUNTY, TEXAS

AFTER RECORDING PLEASE RETURN TO:

SUSAN R. LITTLETON
ASSISTANT CITY ATTORNEY
CITY OF AUSTIN DEPARTMENT OF LAW
LITIGATION DIVISION-EMINENT DOMAIN SECTION
P.O. BOX 1088
AUSTIN, TEXAS 78767-8828

ATTENTION: BETH KELLY, LEGAL ASSISTANT

STATE OF TEXAS COUNTY OF TRAVIS
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 of Travis County, Texas, on

JUN 27 1995

COUNTY CLERK
TRAVIS COUNTY, TEXAS

REAL PROPERTY RECORDS
TRAVIS COUNTY, TEXAS

12467 0083

EASLEY
3395.12

OWNER POLICY OF TITLE INSURANCE ISSUED BY

STEWART TITLE

GUARANTY COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, STEWART TITLE GUARANTY COMPANY, a Texas corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Any statutory or constitutional mechanic's, contractor's, or materialman's lien for labor or material having its inception on or before Date of Policy;
4. Lack of a right of access to and from the land;
5. Lack of good and indefeasible title.

The Company also will pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused this policy to be signed and sealed by its duly authorized officers as of the Date of Policy shown in Schedule A.

Stewart Morris Jr.
Chairman of the Board

Malcolm S. Morris
President

STEWART TITLE
GUARANTY COMPANY

Countersigned by:

Marci Littleton
Authorized Signatory

Title Agency of Austin
Company
3305 Northland Dr., #100
Austin, Texas 78731
City, State

STEWART TITLE GUARANTY CO. INCORPORATED 1908 TEXAS

NAPT FILE
Received:
MAR 0 1 1996
P# Q1000S
F# 3395._____
D# _____

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking that has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. The refusal of any person to purchase, lease or lend money on the estate or interest covered hereby in the land described in Schedule A because of unmarketability of the title.

5. Any claim, which arises out of the transaction vesting in the person named in paragraph 3 of Schedule A the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or other state or federal creditors' rights laws, that is based on either (i) the transaction creating the estate or interest Insured by this Policy being deemed a fraudulent conveyance or fraudulent transfer or a voidable distribution or voidable dividend; (ii) the subordination or recharacterization of the estate or interest insured by this Policy as a result of the application of the doctrine of equitable subordination; or (iii) the transaction creating the estate or interest insured by this Policy being deemed a preferential transfer except where the preferential transfer results from the failure of the Company or its issuing agent to timely file for record the instrument of transfer to the insured after delivery or the failure of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

PROJECT #3395.12

OWNER POLICY OF TITLE INSURANCE

SCHEDULE A

File No: **93084281** Policy No: O- **43283**

Amount of Insurance: **$20,000.00**

Date of Policy: **June 27, 1995** **at 10:45 AM**

1. Name of Insured:

   City of Austin

2. The estate or interest in the land that is covered by this Policy is:

   FEE SIMPLE

3. Title to the estate or interest in the land is insured as vested in:

   City of Austin

4. The land referred to in this Policy is described as follows:

   Approximately 0.737 acres, more or less, located in the Jose Antonio Navarro survey in Travis county, Texas, being more particularly described in Exhibit "A" attached hereto and made a part hereof.

Title Agency of Austin, Inc. **STEWART TITLE GUARANTY COMPANY**

Authorized Signatory

EXHIBIT "A"

FIELD NOTES

FIELD NOTES FOR A PARCEL OF LAND CONTAINING 0.737 ACRES, LOCATED IN THE JOSE ANTONIO NAVARRO SURVEY, IN TRAVIS COUNTY, TEXAS; BEING THE SAME 0.737 ACRE PARCEL OUT OF A 1.00 ACRE PARCEL, SAVE AND EXCEPT A 0.263 ACRE PARCEL, BOTH DESCRIBED IN A WARRANTY DEED TO DANIEL RAY EASLEY RECORDED IN VOLUME 9300, PAGE 297, OF THE REAL PROPERTY RECORDS OF SAID TRAVIS COUNTY, SAID 0.737 ACRE PARCEL ALSO BEING OUT OF LOT 2, C.D. SMITH SUBDIVISION, RECORDED IN BOOK 65, PAGE 82 OF THE PLAT RECORDS OF SAID TRAVIS COUNTY; SAID 0.737 ACRE PARCEL BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING, at a 3/4" iron pipe found on the northwesterly right-of-way line of FM Road 973 South at the southernmost corner of said Lot 2, C.D. Smith Subdivision and said 1.00 acre parcel;

THENCE, N52°25'00"W 220.60 feet with the corner boundary between said Lot 2 and a 0.973 acre parcel out of Lot 1, described in a warranty deed recorded in Volume 11734, Page 1270, of the Real Property Records of said Travis County, to a 3/4" iron pipe found;

THENCE, N44°58'08"E 151.74 feet across said Lot 2 with the southeasterly boundary of said 0.263 acre parcel to a 3/4" iron pipe found on the common lot line between said Lot 2 and Lot 3, C.D. Smith Subdivision;

THENCE, S55°07'02"E 194.03 feet with said common lot line to a 3/4" iron pipe found at the easternmost corner of this parcel on said northwesterly right-of-way line of FM Road 973 South;

THENCE, S34°58'21"W 159.79 feet with said right-of-way line to the POINT OF BEGINNING, containing 0.737 acre of land.

STATE OF TEXAS }

COUNTY OF TRAVIS }

I hereby certify that this field note description was prepared from the results of an actual survey made on the ground under my supervision and that it is true and correct to the best of my knowledge.

MACIAS AND ASSOCIATES, INC.

1-21-94

HENRY A. DUFEAU — DATE
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 1707

STATE OF TEXAS REGISTERED HENRY A. DUFEAU 1707 PROFESSIONAL LAND SURVEYOR

REFERENCES
Bearing Basis: Assumed NORTH Bearing between brass disks at both ends of primary runway 17R - 35L
Austin Grid N - 14
TCAD# 3 - 3131 - 01 - 30

FIELD NOTES REVIEWED
By Mike Sitter Date 1/27/94
Engineering Support Section
Department of Public Works
and Transportation

LAP12.FLN

OWNER POLICY OF TITLE INSURANCE

SCHEDULE B

FILE NO: 93084281 POLICY NO: O- 43283

EXCEPTIONS FROM COVERAGE

This Policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) that arise by reason of the terms and conditions of the leases or easements insured if any, shown in Schedule A, and the following matters:

1. The following restrictive covenants of record itemized below (the Company must either insert specific recording data or delete this exception):

   Those recorded in Volume 65, Page 82, Plat Records of Travis County, Texas.

2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments, or protrusions, or any overlapping of improvements.

3. Homestead or community property or survivorship rights, if any, of any spouse of any insured.

4. Any titles or rights asserted by anyone, including, but not limited to, persons, corporations, governments or other entities,

   a. to tidelands,or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
   b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
   c. to filled-in lands, or artificial islands, or
   d. statutory water rights, including riparian rights, or
   e. to the area extending from the line of mean low tide to the line of vegetation, or the right of access to that area or easement along and across that area.

5. Standby fees, taxes and assessments by any taxing authority for the year 19 95 and subsequent years, and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership.

6. The following matters and all terms of the documents creating or offering evidence of the matters(We must insert matters or delete this exception.):

A. Electric transmission and/or distribution line easement granted to the City of Austin, recorded in Volume 658, Page 488, Deed Records of Travis County, Texas.

B. 5' electric and telephone line easement granted to the City of Austin, recorded in Volume 3946, Page 1250, Deed Records of Travis County, Texas.

C. Future Right-of-way line along the front 10' of Lot 2 as shown on the plat of record in Volume 65, Page 82, Plat Records of Travis County, Texas.

D. Building lines as shown on the plat in Volume 65, Page 82, Plat Records of Travis County, Texas.

E. Reservation of all oil, gas and other minerals as set out in the instrument recorded in Volume 12467, Page 78, Real Property Records of Travis County, Texas.
Said mineral interest not traced subsequent to the date of the above cited instrument.

SCHEDULE B (CONTINUED)

F. Rights of parties in possession.

G. Section 14 of the Conditions and Stipulations of this policy is hereby deleted.

records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. **OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.**

In case of a claim under this policy, the Company shall have the following additional options:

(a) **To Pay or Tender Payment of the Amount of Insurance.**

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) **To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.**

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. **DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.**

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy at the date the insured claimant is required to furnish to Company a proof of loss or damage in accordance with Section 5 of these Conditions and Stipulations.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or

(ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. **APPORTIONMENT.**

If the land described in Schedule A consists of two or more parcels that are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. **LIMITATION OF LIABILITY.**

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, all as insured, or takes action in accordance with Section 3 or Section 6, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. **REDUCTION OF INSURANCE: REDUCTION OR TERMINATION OF LIABILITY.**

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. **LIABILITY NONCUMULATIVE.**

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. **PAYMENT OF LOSS.**

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. **SUBROGATION UPON PAYMENT OR SETTLEMENT.**

(a) **The Company's Right of Subrogation.**

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies that the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion that the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) **The Company's Rights Against Non-insured Obligors.**

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that provide for subrogation rights by reason of this policy.