

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (this "**Agreement**") is made and entered into by and among the **CITY OF MESQUITE**, a Texas home-rule municipality (the "**Seller**"), and **BLOOMFIELD HOMES, L.P.**, a Texas limited partnership ("**Purchaser**"), pursuant to the terms and conditions set forth herein.

WITNESSETH:

WHEREAS, Seller is the owner of approximately ±171.393 gross acres of land (the "**Land**") now known as South Creek and to be developed into a subdivision to be known as "Mercury Park" (the "**Subdivision**") located in the City of Balch Springs ("**Balch Springs**"), Dallas County (the "**County**"), Texas, which Land is more particularly described and/or depicted on **Exhibit A** attached hereto and incorporated herein by reference; and

WHEREAS, pursuant to the terms and provisions contained herein, Purchaser desires to purchase, and Seller desires to sell, the Property (as hereinafter defined).

NOW, THEREFORE, for and in consideration of the premises and mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I PURCHASE

Section 1.01 Purchase and Sale. (a) Pursuant to the terms, provisions and conditions contained herein, Seller hereby agrees to sell and grant to Purchaser, and Purchaser hereby agrees to purchase from Seller, (i) all of Seller's right, title and interest, if any, in and to the Land together with any improvements situated thereon, and (ii) all of Seller's right, title and interest, if any, in and to any minerals in, on or under the Land.

(b) All of Seller's right, title and interest, if any, in and to the Land and improvements, and Seller's right, title and interest, if any, in and to any minerals in, on or under the Land described in **Section 1.01(a)** above are referred to herein as the "**Property**".

ARTICLE II PURCHASE PRICE, INDEPENDENT CONSIDERATION AND EARNEST MONEY

Section 2.01 Purchase Price. The purchase price (the "**Purchase Price**") to be paid in cash at the Closing (as defined in **Section 8.01** hereof) by Purchaser to Seller for the Property acquired pursuant to this Agreement shall be equal to **Five Million Seven Hundred Thousand and No/100 Dollars (\$5,700,000.00)**.

Section 2.02 Independent Consideration and Earnest Money. Within three (3) business days after the Date of this Agreement (as defined in **Section 11.01** hereof), Purchaser shall deliver to the offices of Capital Title Company, Attn: Diane Perry, at the address noted below (the "**Title Company**") the amount of Ninety-Eight Thousand Two Hundred Seventy-Five and

86/100 Dollars (\$98,275.86) in cash by wired funds as earnest money (the "**Earnest Money**"). The parties hereby agree that a portion of the Earnest Money in the amount of Four Thousand Five Hundred and No/100 Dollars (\$4,500.00) shall be independent consideration (the "**Independent Consideration**") for Seller's execution and delivery of this Agreement and the right of Purchaser to terminate this Agreement during the Feasibility Study Period (as defined in **Section 4.01** hereof). The Independent Consideration is non-refundable to Purchaser and, notwithstanding any other provision of this Agreement, at any time that this Agreement provides that the Earnest Money shall be returned to Purchaser, the amount returned to Purchaser shall be net of the Independent Consideration and, at such time, the Independent Consideration shall be delivered to Seller. Any and all cash deposited with the Title Company as the Earnest Money shall be deposited and held in an interest-bearing account for the benefit of the party entitled thereto pursuant to this Agreement. All Earnest Money delivered hereunder, and all interest (if any) accrued thereon, shall hereinafter be sometimes collectively referred to as the "**Earnest Money**". In the event that the Title Company does not receive timely deposit of the Earnest Money, this Agreement may be terminated by Seller as its sole remedy for such failure, and neither party shall thereafter have any further obligation to the other hereunder, except for obligations that survive termination of this Agreement as expressly provided herein. The Earnest Money shall be applied as a credit against the Purchase Price at the Closing. If the Closing does not occur, the Earnest Money shall be delivered to Seller or Purchaser pursuant to the express terms and provisions of this Agreement.

ARTICLE III SURVEY, TITLE COMMITMENT, SOILS TESTS AND OTHER DOCUMENTS

Section 3.01 Survey, Title Commitment and Other Property Documents. (a) **Survey.** Within thirty (30) days after the Date of this Agreement, Purchaser shall, at Purchaser's sole cost and expense, obtain a new survey (the "**Survey**") of the Property from a surveyor reasonably acceptable to Seller and the Title Company. The Survey must be certified to Seller, Purchaser and the Title Company, shall contain the certification set forth on **Exhibit B** attached hereto and incorporated herein for all purposes, shall conform to the current Texas Surveyors Association Standards and Specification Category 1A, Condition II Survey, and must be acceptable in form and substance to the Title Company, Purchaser and Seller prior to being deemed finalized.

(b) **Title Commitment.** Within twenty (20) days after the Date of this Agreement, Purchaser shall request the Title Company to deliver to Purchaser, at Purchaser's sole cost and expense, the following:

(i) a title commitment (the "**Title Commitment**") covering the Land and binding the Title Company to issue to Purchaser, at the Closing, a Texas Owner's Policy of Title Insurance on the standard form of policy prescribed by the Texas State Board of Insurance in the amount of the Purchase Price (the "**Owner's Title Policy**");

(ii) copies of any and all instruments referred to in the Title Commitment as constituting exceptions or restrictions upon or matters affecting the title of Seller to the Land, except that copies of any liens which are to be released at the Closing may be omitted (the "**Exception Documents**"); and

(iii) a tax certificate relating to the Land showing all ad valorem taxes for the year 2019 and all prior years, if any.

(c) **Other Property Documents.** Within fifteen (15) days after the Date of this Agreement, Seller shall deliver or cause to be delivered to Purchaser at the address stated below, copies of the following documents, instruments, reports and information only to the extent that such documents, instruments, reports and information are in the Seller's actual possession:

(i) any and all reports, tests, inspections, surveys, oil and gas leases, royalty agreements, mineral reservations, annexation, platting and zoning applications and related documents, preliminary plans, site plans, conceptual plans, engineering plans, utility plans, construction plans, final plats, topographical maps, soil tests, environmental reports, flood plain information and building restrictions, development contracts, municipal and public improvement district or other public financing documents, any correspondence with any governmental authority, and any and all documents creating, evidencing, governing or created by or for any homeowners association affecting, governing or relating to the Property, and (ii) approvals, consents, grants, waivers, reimbursements, credits or other development rights benefiting the Property (all of the documents, reports, information and other matters referenced in this **Section 3.01(c)** are collectively referred to as "**Other Property Documents**");

(ii) Notwithstanding anything contained herein, the parties agree that the Other Property Documents to be delivered by Seller to Purchaser pursuant to this **Section 3.01(c)** shall not include any documents recorded in the public records of Dallas County that should be listed in the Title Commitment and provided by the Title Company to the Purchaser pursuant to **Section 3.01(b)(ii)** and shall not include any documents containing legally-privileged communications or proprietary information of Seller or any confidential information pursuant to Chapter 552 of the Texas Government Code;

(iii) The parties agree this **Section 3.01(c)** shall not require Seller to search any public records or obtain copies of any documents, reports, instruments or information from any third party including, without limitation, any consultants or independent contractors of Seller, if any;

(iv) Within fifteen (15) days after receipt (and in all events before the Closing), Seller shall deliver to Purchaser copies of any and all Other Property Documents received by Seller after the Date of this Agreement relating to the Property; and

(v) PURCHASER AGREES THAT PURCHASER SHALL RELY ON THE OTHER PROPERTY DOCUMENTS AT PURCHASER'S OWN RISK, AND SELLER HEREBY DISCLAIMS ANY WARRANTY OR REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THE OTHER PROPERTY DOCUMENTS. The provisions of this **Section 3.01(c)(v)** will survive the Closing and any termination of this Agreement.

Section 3.02 Review of Survey, Title Commitment and Other Property Documents.

In the event any exceptions or reservations appear in the Title Commitment or in the event the surveyor's certification or any easements, rights-of-way, encroachments or other items which appear on the Survey, in the Title Commitment, in any Exception Documents, or in any of the Other Property Documents delivered or obtained by Purchaser pursuant to **Section 3.01(c)** above are unacceptable to Purchaser for any reason, Purchaser shall notify Seller of such fact within sixty (60) days after the Date of this Agreement (the "**Title Review Period**"). Seller, at Seller's sole option may, but shall not be obligated to, eliminate or modify such unacceptable exceptions, reservations or items to the satisfaction of Purchaser within thirty (30) days of receipt of Purchaser's notice provided above (the "**Cure Period**") and Seller shall notify Purchaser in writing prior to expiration of the Cure Period of Seller's resolution or proposed disposition of the unacceptable exceptions, reservations, or items or of Seller's inability or unwillingness to eliminate, modify or remedy any unacceptable exceptions, reservations or items. In the event Seller fails to deliver such notice to Purchaser of Seller's resolution, proposed disposition or inability or unwillingness to eliminate, modify or remedy any unacceptable exceptions, reservations or items within the Cure Period, Seller shall be deemed to have elected not to remedy such unacceptable exceptions, reservations or items. The failure of Seller to deliver such notice to Purchaser or the failure of Seller to eliminate, modify, resolve, dispose of, remedy or cure any unacceptable exceptions, reservations or items shall not constitute a default of Seller. In the event Seller is unable or unwilling to eliminate or modify the unacceptable exceptions, reservations or items within the Cure Period, Purchaser may, as Purchaser's exclusive remedy either (i) waive such objections and accept such title as Seller is able to grant to Purchaser, or (ii) on or before the expiration of ten (10) days after the expiration of the Cure Period, terminate this Agreement by written notice to Seller. If Purchaser timely terminates this Agreement as provided in this **Section 3.02**, the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall thereafter have any further obligation to the other hereunder except for obligations that expressly survive the termination of this Agreement. If Purchaser fails to timely terminate this Agreement as provided in this **Section 3.02**, then, subject to Purchaser's rights under **Section 3.03** hereof, Purchaser shall be deemed to have waived and accepted any unacceptable exceptions, reservations and items which Seller has not agreed to eliminate or modify, and any remaining exceptions, together with the standard title policy exceptions, any item or matter shown on the Title Commitment and/or the Survey not objected to by Purchaser in writing within the Title Review Period, taxes and assessments for the year of Closing, if any, taxes and assessments for subsequent years, and the lien for any taxes not yet due and payable at the time of Closing, shall be deemed accepted by Purchaser and will constitute "**Permitted Exceptions**." In no event shall any matter reflected on Schedule C of the Title Commitment be deemed a Permitted Exception provided, however, Seller shall not be obligated to eliminate, modify or remedy any matter on Schedule C and in the event Seller is unable, unwilling, or for any reason fails to eliminate, modify or remedy any matter on Schedule C prior to Closing Purchaser may, as Purchaser's exclusive remedy, terminate this Agreement by written notice to Seller prior to Closing in which event the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall thereafter have any further obligation to the other hereunder except for obligations that expressly survive the termination of this Agreement.

Section 3.03. Updated Title Commitment. No later than thirty (30) days prior to the Closing, Purchaser shall request the Title Company to deliver or cause to be delivered to Purchaser

and Seller a copy of an updated version of the Title Commitment (the "**Updated Title Commitment**") containing all of the information and complying with all of the requirements set forth in **Section 3.01(b)** above. Within ten (10) days after receipt of the Updated Title Commitment, Purchaser may object to any exceptions, reservations or other items affecting title which were not set forth on the original Title Commitment and approved, accepted or waived by Purchaser in accordance with the provisions of **Section 3.02** above (the "**New Title Exceptions**"). Seller may, at Seller's sole option, but shall not be obligated to, eliminate or modify such unacceptable New Title Exceptions within ten (10) days after receipt of Purchaser's notice of the New Title Exceptions (the "**New Title Exceptions Cure Period**"). Seller shall notify Purchaser in writing prior to the expiration of New Title Exceptions Cure Period of Seller's resolution or proposed disposition of the unacceptable New Title Exceptions or of Seller's inability or unwillingness to eliminate, modify or remedy any unacceptable New Title Exceptions. If Seller fails to deliver such notice to Purchaser or if Seller fails or refuses to cure and/or is unable or unwilling to cure the New Title Exceptions, Seller shall be deemed to have elected not to eliminate, modify or remedy such unacceptable New Title Exceptions. The failure of Seller to deliver such notice to Purchaser or the failure of Seller to eliminate, modify, resolve, dispose of, remedy or cure any New Title Exceptions shall not constitute a default of Seller. In the event Seller is unable or unwilling to eliminate or modify any New Title Exceptions within the New Title Exceptions Cure Period, Purchaser may, as Purchaser's exclusive remedy either (i) waive such New Title Exceptions or (ii) within ten (10) days after the expiration of the New Title Exception Cure Period, terminate this Agreement by written notice to Seller. If Purchaser timely terminates this Agreement as provided in this **Section 3.03**, the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall thereafter have any further obligation to the other hereunder except for obligations that expressly survive the termination of this Agreement. If Purchaser fails to timely terminate this Agreement as provided in this **Section 3.03**, Purchaser shall be deemed to have waived and accepted any unacceptable New Title Exceptions which Seller has not agreed to eliminate or modify, and any remaining New Title Exceptions shall constitute Permitted Exceptions in addition to the Permitted Exceptions identified in **Section 3.02** above.

Section 3.04. Current HUD Restrictions. The parties acknowledge that any modification to the Current HUD Restrictions (defined in **Section 4.02(c)** below) is within the sole discretion of the U.S. Department of Housing and Urban Development ("**HUD**") and will be made, if at all, at Closing and accordingly, notwithstanding anything contained herein to the contrary: (i) Seller shall have until Closing to cure any objection or title exception unacceptable to Purchaser relating to the Current HUD Restrictions; (ii) any objection or designation of the Current HUD Restrictions as an unacceptable title exception by Purchaser shall not be deemed waived by Purchaser until Closing, and (iii) if the Current HUD Restrictions are not modified to Seller's, Purchaser's and HUD's satisfaction at or prior to Closing, Seller or Purchaser may terminate this Agreement by written notice to the other party at or prior to Closing in which event the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall thereafter have any further obligation to the other hereunder except for obligations which expressly survive the termination of this Agreement.

Section 3.05. Owner's Title Policy. Purchaser, at Purchaser's sole cost and expense, shall purchase the Owner's Title Policy covering the Land in the amount of the Purchase Price at Closing. The Owner's Title Policy shall be issued at the Closing in accordance with the Updated

Title Commitment and shall otherwise comply with all of the other requirements set forth in Section 3.01(b) above.

ARTICLE IV FEASIBILITY STUDIES AND INSPECTION AND ENTITLEMENTS

Section 4.01 Feasibility Studies. (a) Purchaser shall have the right for a period commencing on the Date of this Agreement and terminating at 11:59 pm Central Standard Time on the date that is ninety (90) days after the Date of this Agreement (the "**Feasibility Study Period**") to enter onto the Property for the purpose of conducting studies or tests of the Property at Purchaser's sole cost and expense (the "**Feasibility Studies**"), which studies and tests may include, without limitation, financial and marketing analyses, soil tests, topographical analysis, engineering studies, environmental studies and tests and similar preliminary work, and for the purpose of inspecting the Property and the interior and exterior of improvements thereon, if any, and planning its development thereof and construction of houses thereon; provided, however, any invasive environmental testing shall require Seller's prior written consent. If Purchaser determines, in its sole judgment, that the Property is not satisfactory or economically suitable for its intended development or business, Purchaser shall deliver written notice to Seller on or before the expiration of the Feasibility Study Period, stating Purchaser's termination of this Agreement. In the event of such a termination pursuant to this **Section 4.01**, the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall have any further obligation or liability to the other hereunder except for obligations or liabilities that expressly survive the termination of this Agreement as expressly provided herein. Purchaser's failure to terminate this Agreement prior to the expiration of the Feasibility Study Period shall be deemed Purchaser's waiver of the right to terminate this Agreement pursuant to this **Section 4.01**, and Purchaser shall be deemed to have accepted the Property for its intended use.

(b) If this Agreement fails to close for any reason including, without limitation, if this Agreement is terminated by Purchaser during the Feasibility Study Period, Purchaser shall: (i) restore the Property, at Purchaser's sole cost and expense, to substantially the same condition that existed prior to any inspection, studies or tests of the Property or any activities on the Property by Purchaser and/or Purchaser's officers, employees, agents, representatives, consultants and independent contractors (collectively "Purchaser's Consultants"), provided, however, Purchaser shall not be responsible or liable for, and the forgoing provision shall not include or cover any damage to the Property or change in condition to the Property caused by acts of God, Seller and Seller's officers, employees, agents, representatives, consultants or independent contractors, (ii) provide Seller with a copy of all of Purchaser's tests, studies and reports which have not theretofore been provided to Seller, (iii) return to Seller all copies of the Other Property Documents provided by Seller to Purchaser pursuant to **Section 3.01(c)** above, and (iv) provide the Title Company and Seller with a written "Bills Paid/No Liens" affidavit, in a form reasonably acceptable to Seller, certifying under oath to the Title Company and Seller that Purchaser has paid in full all persons performing work for Purchaser with respect to the Property who will or may have a right to file a lien against the Property if not paid, and that there are in fact no liens against the Property or which may arise against the Property by reason of such work. Until Closing, Purchaser agrees to maintain in confidence the information discovered in any reports relating to the Property, unless Purchaser is required by law to make any disclosures thereof; provided, however, Purchaser may disclose such information to Purchaser's attorneys, consultants and other similar professional advisors who

have a need to know such information. Such portions of the Earnest Money as are required to be returned to Purchaser pursuant to the terms of this Agreement shall not be returned to Purchaser unless and until such affidavit has been executed, acknowledged under oath, and delivered to the Title Company and Seller and until Purchaser has complied with the terms of (i), (ii) and (iii) set forth above in this Section 4.01(b). Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Section 4.01(b) shall prevail over all other terms and provisions of this Agreement which may conflict herewith, and the provisions of this Section 4.01(b) and the obligations of Purchaser pursuant to this Section 4.01(b) shall survive any termination of this Agreement for any reason.

(c) During the period commencing on the expiration of the Feasibility Study Period and continuing until the Closing, so long as this Agreement has not theretofore been terminated, Purchaser may, subject to the provisions of this Section 4.01, continue to enter onto the Property for the purpose of conducting such studies, tests or inspections of the Property as Purchaser desires.

(d) Purchaser and/or Purchaser's Consultants shall maintain during the term of this Agreement comprehensive general liability insurance of at least One Million and No/100 Dollars (\$1,000,000.00) per occurrence from insurance companies licensed in Texas covering Purchaser's and Purchaser's Consultants activities under this Section 4.01, and shall provide evidence of such insurance policies to Seller prior to any entry on the Property by Purchaser or Purchaser's Consultants to conduct any studies, tests or activities permitted by this Section 4.01. A copy of Purchaser's certificate of insurance is attached hereto as Exhibit E and Seller hereby approves such insurance certificate. Purchaser shall provide Seller with a renewal or replacement certificate of insurance substantially in the form attached hereto as Exhibit E evidencing Purchaser's compliance with the provisions of this Section 4.01(d) on or before the earlier of: (i) November 10, 2020, or (ii) any termination or cancellation of Purchaser's insurance evidenced by the insurance certificate attached hereto as Exhibit E,

(e) Purchaser shall provide Seller with copies of all engineering reports, surveys, soils tests, and other studies, tests and reports obtained or generated by Purchaser and Purchaser's Consultants in connection with the inspection, investigation and assessment of the Property; provided, however, **PURCHASER WILL NOT MAKE AND HEREBY EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES TO SELLER AS TO THE ACCURACY OR CORRECTNESS OF ANY SUCH STUDIES, TESTS OR REPORTS**, and any studies, tests and reports provided to Seller shall not include legally-privileged communications or proprietary information of Purchaser.

(f) **PURCHASER AGREES TO DEFEND, INDEMNIFY, SAVE AND HOLD SELLER HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, SUITS, DAMAGES, LIABILITIES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES, EXPERT WITNESS FEES, LITIGATION EXPENSES AND COURT COSTS) INCURRED OR SUSTAINED BY SELLER ARISING FROM OR IN CONNECTION WITH (i) PURCHASER'S AND PURCHASER'S CONSULTANTS' ENTRY ON THE PROPERTY; (ii) ALL INSPECTIONS, TESTS AND STUDIES CONDUCTED BY PURCHASER AND PURCHASER'S CONSULTANTS ON THE PROPERTY; AND (iii) ALL OTHER ACTIVITIES AND ACTIONS OF THE PURCHASER AND THE PURCHASER'S**

CONSULTANTS ON THE PROPERTY UNDER THIS SECTION 4.01. NOTWITHSTANDING THE FOREGOING, PURCHASER SHALL NOT BE RESPONSIBLE OR LIABLE FOR, AND THE FOREGOING INDEMNIFICATION SHALL NOT INCLUDE OR COVER, (i) THE CONDITION OF THE PROPERTY PRIOR TO ANY FEASIBILITY STUDIES CONDUCTED BY PURCHASER OR PURCHASER'S CONSULTANTS, (ii) ANY CONDITIONS ON OR OF THE PROPERTY EXISTING PRIOR TO ANY FEASIBILITY STUDIES THAT ARE DISCOVERED OR DISTURBED BY PURCHASER OR PURCHASER'S CONSULTANTS DURING ANY FEASIBILITY STUDIES, AND (iii) ANY ACTS OF SELLER OR SELLER'S AGENTS, CONSULTANTS OR CONTRACTORS.

(g) The provisions of this Section 4.01 and the Purchaser's obligations pursuant to this Section 4.01 including, without limitation, Purchaser's obligations pursuant to Section 4.01(b) and Purchaser's indemnity pursuant to Section 4.01(f) will survive the Closing and any termination of this Agreement.

Section 4.02 Entitlements. (a) Purchaser, at Purchaser's sole cost and expense, shall seek approval ("Entitlement Approval") (i) from Balch Springs of a development agreement (the "Development Agreement") satisfactory to Purchaser providing for zoning, preliminary platting and development of the Property; and (ii) from HUD of (A) modifications of the Current HUD Restrictions as provided in Section 4.02(c) below; and (B) Purchaser's Form HUD-2530 (the entitlements referred to in Section 4.02(a)(i) and Section 4.02(a)(ii) above are hereinafter collectively referred to as the "Entitlements") during the period ("Entitlement Period") commencing on the Date of this Agreement and continuing until the earlier of (1) Entitlement Approval, or (2) the date that is six (6) months after the Date of this Agreement. Notwithstanding the foregoing, Purchaser agrees that the agreement by HUD to modify the Current HUD Restrictions consistent with Section 5.03(b) below shall be deemed to satisfy the Entitlement Approval set forth in Section 4.02(a)(ii)(A). In this regard, Purchaser shall submit to Balch Springs Purchaser's proposal for the Development Agreement within ninety (90) days after the Date of this Agreement. Purchaser shall use good faith reasonable efforts to obtain and shall diligently pursue receipt of the Entitlement Approvals. Seller shall execute all documents and reasonably cooperate with Purchaser to obtain a rezoning of the Property to allow a mixed use, residential and retail development.

(b) If Purchaser is unable to obtain Entitlement Approval prior to the expiration of the Entitlement Period Purchaser may, by written notice delivered to Seller, extend the Entitlement Period for a period not to exceed ninety (90) days, subject to Seller's approval, which approval shall not be unreasonably withheld or delayed. If Purchaser is unable to obtain Entitlement Approval prior to the expiration of the Entitlement Period (as extended, if applicable) Purchaser may (i) terminate this Agreement by delivering written notice to Seller prior to expiration of the Entitlement Period (as extended, if applicable), in which event (A) the Earnest Money (less the Independent Consideration) shall, subject to Section 4.01(b), be promptly released to Purchaser, and (B) neither party hereto shall have any further obligations herein except for obligations that expressly survive termination of this Agreement as provided herein, or (ii) waive Entitlement Approval and proceed to Closing. If Purchaser fails to timely extend the Entitlement Period or if Purchaser fails to timely terminate this Agreement pursuant to this Section 4.02(b), Purchaser shall be deemed to have waived Entitlement Approval and to proceed to Closing.

(c) Purchaser acknowledges that Tracts 1 and 2 of the Property are currently restricted to use for or by the Seller and Mesquite Independent School District ("**Current HUD Restrictions**"). Seller has requested HUD to modify the Current HUD Restrictions. Purchaser and Seller acknowledge that any modification of the Current HUD Restrictions is at the sole discretion of HUD, and Seller shall not be in default of this Agreement in the event HUD fails to modify the Current HUD Restrictions or fails to modify the Current HUD Restrictions in a manner acceptable to Purchaser. Purchaser and Seller further agree that the closing of the sale and purchase of the Property shall expressly be conditioned on HUD modifying the Current HUD Restrictions at or before Closing on terms acceptable to HUD, Purchaser and Seller, and in the event HUD fails to modify the Current HUD Restrictions on terms acceptable to HUD, Purchaser and Seller on or prior to the Closing Date, Purchaser or Seller may terminate this Agreement by written notice to the other party in which event Purchaser and Seller shall have no further rights or obligations under this Agreement except for those that expressly survive the termination of this Agreement according to its terms.

(d) If Purchaser does not receive Entitlement Approval within the Entitlement Period (as extended, if applicable) and terminates this Agreement, or if this Agreement is terminated for any other reason, Seller may negotiate with other parties for the sale of the Property on terms acceptable to Seller. The provisions of this **Section 4.02(d)** shall expressly survive any termination of this Agreement.

ARTICLE V

DISCLAIMER OF REPRESENTATIONS AND WARRANTIES AND RELEASE COVENANTS AND AGREEMENTS

Section 5.01 Disclaimer of Representations and Warranties; Release. (a) Seller makes no representation or warranty, express or implied or arising by operation of law or otherwise with respect to any matter concerning the Property, including, without limitation, the following: (i) title to the Property; (ii) the habitability, marketability, merchantability, or suitability or fitness of the Property for a particular purpose or use; (iii) the nature and condition of the Property, including, without limitation, water, drainage and grading, soil and geology, zoning, annexation, extraterritorial jurisdiction and other zoning and jurisdictional issues, location of cemeteries, utility availability or hook-up, easement rights, flood plains (or portions of the Property in a flood plain) and the costs and requirements of same, access to streets, costs of utilities, location of curb cuts and median breaks in streets, sewage facilities (including, without limitation, availability or non-availability of appropriate water and sewer capacity) or other governmental rights or obligations; (iv) the completeness, accuracy or approval of permits, surveys, plats, preliminary plats, pollution abatement plans, subdivision plans or reports concerning the Property; (v) tax consequences; (vi) the compliance of all or any part of the Property with applicable environmental laws, rules or regulations with respect to health, the environment, and endangered species and wetlands (collectively, "Environmental Laws") including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. §9601, et. seq.), as amended, the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901, et. seq.), as amended, the Endangered Species Act (16 U.S.C. §1531, et seq.), as amended, the Texas Water Code, as amended, the Texas Natural Resource Code, as amended, the Texas Solid Waste Disposal Act, as amended, and all other federal, state and local laws, statutes,

ordinances, rules and regulations, as amended, that regulate the use, storage, treatment, generation, disposal, transportation, discharge, release, threatened release and/or remediation of hazardous wastes, hazardous materials, hazardous substances, pollutants, toxic waste, toxic materials and toxic substances; (vii) the existence of asbestos, oil, arsenic, petroleum or chemical liquids or solids, liquid or gaseous products or hazardous substances as those terms and similar terms are defined or used in applicable Environmental Laws; (viii) the nature and extent of access to rights-of-way or utilities, availability of permits to access rights-of-way or utilities on the Property, other property owned by Seller (if any), or any land owned by third parties; (ix) easements, mineral interests, encumbrances, licenses, reservations, conditions or other similar matters affecting the Property; (x) compliance with any law, ordinance or regulation of any governmental entity or body; and/or (xi) claims, demands, or other matters relating to any restrictive covenants encumbering the Property. The parties agree the sale of the Property will be made on an "AS IS, WHERE IS" and "WITH ALL FAULTS" basis. The parties agree the warranties and covenants set forth in Section 5.023 of the Texas Property Code do not apply to this transaction and that any warranties arising at common law or implied as a result of Section 5.023 of the Texas Property Code, as amended, or any successor statute, shall be excluded and excepted from the Deed (defined in Section 8.02(a)(i) below). Purchaser acknowledges that Purchaser has the full, complete and unfettered right to inspect the Property to Purchaser's satisfaction and that the Purchase Price is in part based upon the fact that the grant of the Property to be made by Seller to Purchaser shall be without warranty or representation. Purchaser agrees to rely only upon Purchaser's own investigations, assessments and inspections as to the condition of the Property, or Purchaser's own decision not to inspect any matter and Purchaser agrees that it is not relying on any representation, warranty, statement or non-assertion of Seller or Seller's officers, agents, representatives, employees, consultants, or independent contractors in making Purchaser's decision to purchase the Property.

(b) SELLER SHALL NOT BE LIABLE TO PURCHASER FOR ANY LATENT OR PATENT DEFECTS OF THE PROPERTY OR FOR ANY ERRORS, OMISSIONS, OR ON ACCOUNT OF ANY OTHER CONDITION AFFECTING THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THOSE MATTERS DESCRIBED IN SECTION 5.01(a)(i) THROUGH AND INCLUDING SECTION 5.01(a)(xi) ABOVE, AND PURCHASER AND ANYONE CLAIMING BY, THROUGH OR UNDER PURCHASER, HEREBY FULLY RELEASES SELLER AND SELLER'S EMPLOYEES, OFFICERS, ELECTED OFFICIALS, REPRESENTATIVES, ATTORNEYS AND AGENTS (EACH A "SELLER RELATED PARTY") FROM ANY AND ALL CLAIMS AGAINST SELLER AND EACH SELLER RELATED PARTY FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION (INCLUDING, WITHOUT LIMITATION, ANY RIGHTS OF CONTRIBUTION) ARISING FROM OR RELATED TO ANY LATENT OR PATENT DEFECTS OF THE PROPERTY OR FOR ANY ERRORS, OMISSIONS, OR OTHER CONDITIONS AFFECTING THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THOSE MATTERS DESCRIBED IN SECTION 5.01(a)(i) THROUGH AND INCLUDING SECTION 5.01(a)(xi) ABOVE AND ANY ALLEGED NEGLIGENCE OF SELLER OR ANY SELLER RELATED PARTY. THIS COVENANT RELEASING SELLER AND EACH SELLER RELATED PARTY SHALL BE SET FORTH IN THE DEED AS A COVENANT RUNNING WITH THE

PROPERTY AND SHALL BE BINDING UPON PURCHASER, PURCHASER'S SUCCESSORS AND ASSIGNS, AND ALL FUTURE OWNERS OF THE PROPERTY.

(c) THE UNDERSIGNED PURCHASER HEREBY WAIVES PURCHASER'S RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES - CONSUMER PROTECTION ACT, SECTION 17.41 ET. SEQ., BUSINESS AND COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF PURCHASER'S OWN SELECTION, PURCHASER VOLUNTARILY CONSENTS TO THIS WAIVER.

(d) Purchaser represents and warrants to Seller that Purchaser is acquiring the Property for investment, has knowledge and experience in financial and business real estate matters that enable Purchaser to evaluate the merits and risks of the transactions herein contemplated, and has bargained for and obtained a purchase price and agreement terms which make the limitations of Purchaser's recourse against Seller acceptable. Purchaser acknowledges that the limitations of Purchaser's recourse against Seller as set forth herein is a material part of the consideration for the execution and delivery of the Deed by the Seller and is an integral part of the basis of the bargain between the Seller and the Purchaser.

(e) The provisions of this Section 5.01 shall be set forth in the Deed. The waivers, releases, disclaimers and other matters set forth in this Section 5.01 and all obligations of the Purchaser pursuant to this Section 5.01 shall survive Closing or any termination of this Agreement.

Section 5.02 Covenants and Agreements of Seller. Seller hereby covenants and agrees that, within ten (10) days after obtaining actual knowledge thereof (specifically excluding any constructive knowledge), Seller shall notify Purchaser in writing of the pendency or the institution of foreclosure proceedings or any proceedings for the condemnation of the Property, or any portion thereof, and any other proceedings alleging injury or damage to the Property, or any portion thereof, of which Seller receives actual notice of during the term of this Agreement.

Section 5.03 Representations, Warranties, Covenants and Agreements of Purchaser. (a) To induce Seller to enter into this Agreement and to sell the Property, Purchaser represents and warrants to Seller, as of the Date of this Agreement and as of the date of the Closing, (i) that Purchaser has full power to enter into this Agreement and to consummate the transactions provided for herein, and (ii) that neither entering into this Agreement, nor consummating any of the transactions provided for herein, will result in or constitute a violation or breach by Purchaser of any lien, deed of trust, agreement or other instrument affecting the Land or to which Purchaser is a party or by which Purchaser is bound.

(b) Purchaser agrees that the following restrictions encumbering the Property are acceptable to Purchaser:

(i) require no less than 20% of the housing units be affordable, with a base price ranging between \$150,000 and \$190,000, given a Dallas area median income of \$77,200;

(ii) require that development of the Property provide the community with affordable housing options and integrate several of the Secretary of HUD's current initiatives; and

(iii) require the restrictions will encumber the Property for no less than twenty-five years.

(c) Purchaser agrees to accept title to the Property subject to the restrictions set forth in **Section 5.03(b)** above or other restrictions acceptable to HUD, Purchaser and Seller. Purchaser further agrees that the restrictions set forth in **Section 5.03(b)** or other restrictions acceptable to HUD, Purchaser and Seller shall constitute Permitted Exceptions in addition to the Permitted Exceptions identified in **Section 3.02** above.

ARTICLE VI EMINENT DOMAIN

Section 6.01 Eminent Domain. If, prior to the Closing, any portion of the Property shall be permanently taken or condemned or transferred by agreement in lieu of condemnation for any public or quasi-public use or purpose by any competent authority, Purchaser may, at its option, by notice to Seller given within ten (10) business days after Seller notifies Purchaser of such proceedings (and if necessary the Closing Date shall be extended to give Purchaser the full ten (10) business day period to make the election) (a) terminate this Agreement by written notice to Seller, in which event the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall thereafter have any further obligation to the other hereunder, except for obligations that survive the termination of this Agreement as provided herein, (b) acquire only that portion of the Property which has not been taken, condemned or transferred, or (c) close the acquisition of the Property as provided herein. If Purchaser elects to close under subpart (c) above, despite said taking, condemnation or transfer, Seller shall assign to Purchaser Seller's right, title and interest in and to any compensation award resulting from said taking, condemnation or transfer less all reasonable out-of-pocket costs and expenses incurred by Seller in connection with the taking, condemnation or transfer.

ARTICLE VII CONDITIONS OF PURCHASER'S AND SELLER'S OBLIGATIONS

Section 7.01 Conditions of Purchaser's Obligation. (a) The obligation of Purchaser to purchase the Property from Seller is subject to the satisfaction, as of the Closing, of each of the conditions set forth in **Section 7.01(b)** below (any of which may be waived in writing, in whole or in part, by Purchaser at or prior to the Closing) and, in the event any of such conditions are not satisfied or waived at or prior to the Closing (as extended, if applicable), Purchaser shall have the option, in its sole and absolute discretion and in addition to any other rights of Purchaser under this Agreement, to (i) waive such conditions and proceed to the Closing, (ii) extend the Closing for a period not to exceed sixty (60) days to enable Seller to satisfy such conditions (the "Purchaser's Extended Closing Date"), or (iii) terminate this Agreement by delivering written notice of same to Seller. Upon such termination, the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall thereafter have any further obligation to the other hereunder, except for those

obligations that expressly survive the termination of this Agreement. If Purchaser elects to extend the Closing as provided in clause (ii) above, but the conditions remain unsatisfied on the date that is ten (10) days prior to the Purchaser's Extended Closing Date, then Purchaser may, either (A) waive such conditions and proceed to the Closing on the Purchaser's Extended Closing Date, or such earlier date as may be mutually agreed to by the Purchaser and the Seller; or (B) terminate this Agreement by delivering written notice of termination to Seller at least five (5) days prior to the Purchaser's Extended Closing Date in which event the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall thereafter have any further obligations to the other hereunder except for those obligations that expressly survive the termination of this Agreement.

(b) The following conditions must be satisfied to Purchaser's satisfaction, or waived by Purchaser, on or before the Closing (collectively, the "**Purchaser's Closing Conditions**"):

(i) Seller shall have delivered, performed, observed and complied with all material items, instruments, documents, covenants, agreements and conditions required by this Agreement to be delivered, performed, observed and complied with by Seller prior to, or as of, the Closing.

(ii) Except as provided elsewhere in this Agreement, there shall have been no material change, after the Date of this Agreement and prior to the Closing, in the physical condition of the Property.

(iii) The closing of the purchase of the Balch Springs Tract (as defined in **Section 8.03(b)(i)** hereof) shall have occurred contemporaneously with the Closing of the Property provided, however, notwithstanding anything contained herein to the contrary, this **Section 7.01(b)(iii)** shall only be a condition of Purchaser's obligation to close on the purchase of the Property if the contract between the Purchaser and Balch Springs for the purchase of the Balch Springs Property (the "**Balch Springs Contract**") fails to close as the result of the default of the Purchaser provided, however, the Purchaser may waive this condition of Closing and may proceed to purchase the Property even if the Balch Springs Contract fails to close.

(iv) HUD delivers at Closing to Seller or Seller's designee a document in recordable form modifying the Current HUD Restrictions in a manner acceptable to HUD, Purchaser and Seller, which document shall be delivered to Purchaser and the Title Company and recorded at Closing.

Section 7.02 Conditions of Seller's Obligation. (a) The obligation of Seller to sell the Property to Purchaser is subject to the satisfaction, as of the Closing, of each of the conditions set forth in **Section 7.02(b)** below (any of which may be waived in writing, in whole or in part, by Seller at or prior to the Closing) and, in the event any of such conditions are not satisfied or waived at or prior to the Closing, Seller shall have the option, in its sole and absolute discretion and in addition to any other rights of Seller under this Agreement, to (i) waive such conditions and proceed to the Closing, (ii) extend the Closing for a period not to exceed sixty (60) days to enable Purchaser to satisfy such conditions (the "Seller's Extended Closing Date"), or (iii) terminate this Agreement by delivering written notice of same to Purchaser. Upon such termination, the Earnest

Money (less the Independent Consideration) shall, subject to Section 4.01(b), be promptly returned to Purchaser and neither party shall thereafter have any further obligation to the other hereunder, except for those obligations that expressly survive the termination of this Agreement. If Seller elects to extend the Closing as provided in clause (ii) above, but the conditions remain unsatisfied on the date that is ten (10) days prior to the Seller's Extended Closing Date, then Seller may, either (A) waive such conditions and proceed to the Closing on the Seller's Extended Closing Date, or such earlier date as may be mutually agreed to by Seller and Purchaser, or (B) terminate this Agreement by delivering written notice of termination to Purchaser at least ten (10) days prior to the Seller's Extended Closing Date in which event the Earnest Money (less the Independent Consideration) shall, subject to Section 4.01(b), be promptly returned to Purchaser and neither party shall thereafter have any further obligations to the other hereunder except for those obligations that expressly survive the termination of this Agreement.

(b) The following conditions must be satisfied to Seller's satisfaction, or waived by Seller, on or before the Closing (collectively, the "Seller's Closing Conditions"):

(i) Purchaser shall have delivered, performed, observed and complied with all material items, instruments, documents, covenants, agreements and conditions required by this Agreement to be delivered, performed, observed and complied with by Purchaser prior to, or as of, the Closing.

(ii) HUD delivers at Closing to Seller or Seller's designee a document in recordable form modifying the Current HUD Restrictions in a manner acceptable to HUD, the Purchaser and Seller, which document shall be delivered to Purchaser and the Title Company and recorded at the Closing.

ARTICLE VIII CLOSING

Section 8.01 Closing Schedule. (a) The closing of the purchase and sale of the Property pursuant to this Agreement (the closing of the Property pursuant to the terms hereof shall hereinafter be referred to as the "Closing" and the date of the Closing shall hereinafter be referred to as the "Closing Date") shall be held at the offices of the Title Company.

(b) Subject to Purchaser's and Seller's rights in Section 7.01(a) and Section 7.02(a) above, the Closing of the Property shall occur on the date that is thirty (30) days after the expiration of the Entitlement Period, or such earlier date mutually agreed to by the parties (the "Closing").

Section 8.02 Delivery of Documents and Purchase Price. (a) At the Closing, Seller shall deliver to Purchaser the following:

(i) a deed without warranty (the "Deed") containing the legal description of the Property reflected on the final Survey approved by Seller, Purchaser and the Title Company, which Deed shall be in the form attached hereto as Exhibit C and incorporated herein by reference, subject to the Permitted Exceptions;

(ii) a Non-Foreign Affidavit in the form attached hereto as **Exhibit D** and incorporated herein by reference;

(iii) possession of the Property, subject to the Permitted Exceptions; and

(iv) any and all such other documents and instruments as may be reasonably necessary from Seller to effectuate the transfer of the Property as provided herein.

(b) At the Closing, Purchaser shall deliver to Seller: (i) the Purchase Price less a credit for the Earnest Money; and (ii) any and all documents and instruments as may be reasonably necessary from Purchaser to effectuate the Closing of the Property as provided herein.

(c) Purchaser hereby authorizes the Title Company to provide Seller with a photocopy of the Owner's Title Policy within thirty (30) days after Closing, and this authorization shall survive Closing.

Section 8.03 Property Taxes, Closing Costs and Expenses. (a) Seller represents that it is a municipality. During the Feasibility Study Period Purchaser shall obtain such certificates and conduct such investigations as Purchaser deems advisable to determine whether any ad valorem taxes and assessments, including any rollback taxes (collectively, "**Property Taxes**"), have been assessed or are due for or with respect to the Property. If any Property Taxes are due for or with respect to the Property for any periods prior to Closing, Purchaser, as Purchaser's sole remedy, may either (i) at Closing, pay all Property Taxes for years prior to the year of Closing; or (ii) terminate this Agreement by written notice to Seller prior to the expiration of the Feasibility Study Period in which event the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and the parties hereto shall have no further obligations hereunder except for those obligations that survive the termination of this Agreement as expressly provided herein. Property Taxes for the year of Closing shall be prorated at the Closing effective as of the date of the Closing and shall be adjusted in cash to the appropriate party at the Closing provided, however, notwithstanding anything contained herein, in no event shall the Seller be responsible for any Property Taxes for the year of Closing if Property Taxes by all taxing units for the year of Closing accrue only from and after the date of Closing. If the amount of Property Taxes for the year in which the Closing takes place is not known at the time of the Closing, and apportionment of Property Taxes for the year of Closing is applicable, the apportionment of the Property Taxes shall be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation; **provided, however**, that any difference in Property Taxes for the year of sale actually paid by Purchaser shall be adjusted between the parties upon receipt of written evidence of the payment thereof. Seller's and Purchaser's obligations under this **Section 8.03(a)** shall survive Closing.

(b) Seller hereby agrees to pay and be responsible for the following Closing costs:

(i) the cost of all tax certificates relating to all taxes and other assessments incurred or arising in relation to the Property and the cost of all tax certificates relating to all taxes and other assessments incurred or arising in relation to the approximately ±2-acre tract adjacent to the Property owned by Balch Springs to be purchased by Purchaser

contemporaneously with the closing of the purchase of the Property (the "**Balch Springs Tract**");

(ii) one-half (1/2) of the Title Company's escrow fees in connection with the purchase of the Property and one-half (1/2) of the Title Company's escrow fees in connection with the purchase by the Purchaser of the Balch Springs Tract;

(iii) all costs and expenses incurred by or on behalf of Seller including Seller's attorney's fees; and

(iv) such other incidental costs and fees up to a maximum of ONE THOUSAND AND NO/100 DOLLARS (\$1,000.00) customarily paid by sellers of property in the County in transactions of a similar nature to the transactions provided herein.

(c) Purchaser hereby agrees to pay and be responsible for the following Closing costs:

(i) the cost of recording the Deed;

(ii) all fees for the Title Commitment and all premiums for the Owner's Title Policy including the base premium for the Owner's Title Policy and all premiums for all endorsements or extended coverage to the Owner's Title Policy;

(iii) one-half (1/2) of the Title Company's escrow fees;

(iv) all costs and expenses incurred by or on behalf of Purchaser including Purchaser's attorney's fees; and

(v) such other incidental costs and fees up to a maximum of ONE THOUSAND AND NO/100 DOLLARS (\$1,000.00) customarily paid by purchasers of property in the County in transactions of a similar nature to the transactions provided herein.

Section 8.04 Texas Water Code Section 49.452 Notice.

If the Property is situated within a utility district subject to the provisions of Section 49.452, Texas Water Code, then at or prior to the Closing, Seller agrees to give Purchaser the written notice required by said Section and Purchaser agrees to sign and acknowledge the notice to evidence receipt thereof.

Section 8.05 Texas Property Code Section 5.010 Notice. In accordance with Section 5.010(a) of the Texas Property Code, as amended, Seller hereby notifies Purchaser of (and Purchaser acknowledges that Seller is hereby providing to Purchaser) the notice required by the above-referenced statute:

NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES

If for the current ad valorem tax year the taxable value of the Land that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the Land at less than its market value, the person to whom the Land is transferred may not

be allowed to qualify the Land for that special appraisal in a subsequent tax year and the Land may then be appraised at its full market value. In addition, the transfer of the Land or a subsequent change in the use of the Land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the Land. The taxable value of the Land and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the Land is located.

ARTICLE IX TERMINATION, DEFAULT AND REMEDIES

Section 9.01 Purchaser's Default and Seller's Remedy. In the event Purchaser fails to fulfill any of its obligations hereunder, except as a result of Seller's default hereunder or the termination of this Agreement by Purchaser pursuant to any provision hereof giving Purchaser the right to terminate this Agreement, Seller shall have the right, as Seller's exclusive remedies: (i) to terminate this Agreement, in which event the Earnest Money shall be delivered to Seller and neither party shall thereafter have any further rights, obligations or liabilities hereunder except for those that expressly survive the termination of this Agreement; (ii) the right to sue Purchaser for damages arising from or the specific performance of (A) Purchaser's restoration obligations set forth herein, (B) Purchaser's agreement to indemnify, defend and hold Seller harmless pursuant to **Section 4.01(f)** and **Section 10.01**, and (C) any other provision of this Agreement that expressly survives Closing or the termination of this Agreement. In this regard, Seller acknowledges that the Earnest Money shall constitute agreed upon liquidated damages for any default by Purchaser under this Agreement. The provisions of this **Section 9.01** shall expressly survive the termination of this Agreement.

Section 9.02 Seller's Default and Purchaser's Remedies. In the event Seller fails to fulfill any of its obligations hereunder, except as a result of Purchaser's default hereunder or the termination of this Agreement by Seller pursuant to any provision hereof giving Seller the right to terminate this Agreement, Purchaser may, as its sole and exclusive remedy and relief, select one of the following three (3) remedies: (i) enforce specific performance of this Agreement provided, however, in no event shall the remedy of specific performance be available to cure any title defects or title exceptions (except for title defects or title exceptions, if any, created by the intentional act of Seller after the date the Title Commitment is delivered to Purchaser) or to enforce this Agreement in the event HUD fails to modify the Current HUD Restrictions at Closing, (ii) terminate this Agreement by written notice delivered to Seller, in which event the Earnest Money (less the Independent Consideration) shall, subject to **Section 4.01(b)**, be promptly returned to Purchaser and neither party shall thereafter have any further obligation to the other hereunder, except for those that expressly survive the termination of this Agreement, or (iii) waive the default and acquire the Property as set forth herein. Purchaser hereby agrees that Purchaser shall not have the right to seek or recover damages from Seller. If Purchaser is aware of any breach of this Agreement at Closing and proceeds to close, then Purchaser shall be deemed to have waived any such breach for all purposes. The provisions of this **Section 9.02** shall expressly survive the termination of this Agreement.

Section 9.03 Waiver of Consequential, Punitive, Exemplary and Speculative Damages. Seller and Purchaser agree that, in connection with any action, suit or proceeding

arising from or relating to this Agreement, each party mutually waives to the fullest extent permitted by applicable law, all rights to sue the other party for consequential, punitive, exemplary or speculative damages. The provisions of this Section 9.03 shall expressly survive the Closing or termination of this Agreement.

Section 9.04 Notice and Opportunity to Cure. Seller and Purchaser covenant and agree, each with the other, to give to the other written notice of any default occurring, and such party in default shall have a period of thirty (30) days to cure such default prior to the exercise of any right or remedy provided in this Agreement by the non-defaulting party provided, however, notwithstanding the foregoing: (i) neither party shall be required to notify the other party to close this Agreement on the Closing Date and in the event a party fails to close this Agreement on the Closing Date, such party shall not have any cure period within which to cure such default; and (ii) Seller shall not be required to notify Purchaser to deposit the Earnest Money and Seller may exercise the remedy permitted by this Agreement due to such default from and after Purchaser fails to deposit the Earnest Money as required by this Agreement.

ARTICLE X COMMISSION

Section 10.01 Commission. (a) Seller and Purchaser hereby represent and warrant to the other that no real estate commissions or finder's fees are due or payable to any person or agency, as a result of or in connection with this Agreement or the transactions contemplated herein. **Purchaser hereby agrees to indemnify Seller and hold Seller harmless from and against any and all claims for real estate commissions and/or finder's fees occasioned by acts of Purchaser. The provisions of this Section 10.01 and the obligations of the Purchaser pursuant to this Section 10.01 shall expressly survive the Closing or any termination of this Agreement.**

(b) At the Date of this Agreement, Purchaser acknowledges that it has been advised and hereby is advised by this writing that Purchaser should have the abstract covering the Land examined by an attorney of Purchaser's own selection or that Purchaser should be furnished with or obtain a policy of title insurance.

ARTICLE XI MISCELLANEOUS PROVISIONS

Section 11.01 Date of Agreement. The term "Date of this Agreement" as used herein shall mean the date this Agreement has been fully executed by both Seller and Purchaser, as indicated by their signatures below, whichever date is later.

Section 11.02 Date of Performance. In the event any review periods, performance dates, delivery dates, the Feasibility Study Period, the Closing Date or any other date or provision provided herein should fall, expire or be due on a legal holiday, Saturday or Sunday, such date or provision shall be extended to the next working day which is not a legal holiday, Saturday or Sunday, and such next working day shall be considered to be the due date, performance date or expiration date for all purposes hereunder.

Section 11.03 Assignment. This Agreement may not be assigned by either party without the prior written consent of the non-assigning party, which consent may be withheld in the sole discretion of the non-assigning party. Any assignment of this Agreement by any party without the written approval of the non-assigning party shall constitute a default of the assigning party and such assignment shall be deemed void. Any assignment consented to by the non-assigning party shall not release the assigning party of any duties or obligations of the assigning party hereunder.

Section 11.04 Notices. Any notice or communication required or permitted hereunder shall be in writing and shall be deemed to be delivered and received when actually received by the intended recipient or, whether actually received or not, when (a) deposited in the United States mail, postage fully prepaid, registered or certified mail, return receipt requested, addressed to the intended recipient at the address shown below or (b) deposited with a nationally recognized overnight delivery service (i.e. Federal Express), service fully paid for, addressed to the intended recipient at the address shown below:

If to Purchaser: Bloomfield Homes, L.P.
 1050 E. State Highway 114, Suite 210
 Southlake, Texas 76092
 Attention: Donald J. Dykstra
 Telephone: (817) 416-1572
 Email: Don@bloomfieldhomes.net

with a copy to: Bellinger & Suberg, L.L.P.
 12221 Merit Drive, Suite 1750
 Dallas, Texas 75251
 Attention: Glen A. Bellinger and Parker J. Bergeron
 Telephone: (214) 954-9540
 Email: gbellinger@bellingersuberg.com
 pbergeron@bellingersuberg.com

If to Seller: City of Mesquite
 1515 N. Galloway Avenue
 Mesquite, Texas 75149
 Attention: Cliff Keheley, City Manager
 Telephone: 972-216-6404
 Email: ckeheley@cityofmesquite.com

With a copy to: David Paschall
 City Attorney
 City Attorney's Office
 1515 N. Galloway Avenue
 Mesquite, Texas 75149
 Telephone: (972) 216-6375
 Email: dpaschall@cityofmesquite.com

Any address for notice may be changed by written notice given in accordance with this **Section 11.04.**

Section 11.05 Forms. In case of a dispute as to this form or any document required hereunder, this form shall be conclusively deemed reasonable and shall not be presumptively interpreted against either party.

Section 11.06 Captions, Certain Words. The captions used in connection with the sections of this Agreement are for convenience only and shall not be deemed to construe or limit the meaning of the language of this Agreement. The words "herein," "hereof," "hereto," "herewith," or "hereunder" as used in this Agreement shall refer to this Agreement in its entirety and not merely to the clause, sentence or Section in which such word is used.

Section 11.07 Attorney's Fees Except as expressly set forth herein, if either party shall be required to employ an attorney to enforce or defend the rights of such party hereunder, the prevailing party shall not be entitled to recover reasonable attorney's fees incurred in connection therewith.

Section 11.08 Integration. This Agreement contains the complete agreement between the parties hereto and cannot be varied, modified or altered except by the written agreement of the parties hereto. The parties agree that there are no oral agreements, understandings, representations or warranties which are not expressly set forth herein.

Section 11.09 Survival. Except for any provisions of this Agreement which expressly survive Closing as set forth herein, this Agreement will not survive Closing.

Section 11.10 Binding Effect. Subject to **Section 11.03** above, this Agreement shall inure to the benefit of and shall be binding upon and enforceable by the parties hereto and their respective successors and assigns.

Section 11.11 Binding Law. This Agreement shall be governed by and interpreted and construed under the laws of the State of Texas and is performable in Dallas County, Texas. Venue for any cause of action arising out of or in conjunction with this Agreement shall be exclusively in a court of competent jurisdiction, state or federal, in Dallas County, Texas.

Section 11.12 Relationship of the Parties. Nothing contained herein is intended to create, nor shall it ever be construed to make, Seller and Purchaser partners or joint venturers.

Section 11.13 Compliance With Section 6045(E) of the Tax Reform Act of 1986. The Title Company hereby agrees to (a) timely file returns with the Internal Revenue Service, on Form 1099-B or such other forms as instructed by the Internal Revenue Service, showing the gross proceeds of each transaction contemplated hereunder, the recipient thereof and such other information as the Internal Revenue Service may by form or regulation require from time to time, and (b) furnish both Seller and Purchaser with a written statement showing the name and address of the Title Company and the information shown on such returns with respect to each such transaction. These returns shall be filed to ensure that the parties to these transactions will be in compliance with Section 6045(E) of the Internal Revenue Code of 1986, as amended from time to time, and as further set forth in any regulations promulgated thereunder.

Section 11.14 Designation of Reporting Person. Seller and Purchaser hereby designate the Title Company as the "Reporting Person" with respect to the transaction contemplated under

this Agreement for purposes of complying with the regulations set forth in 26 C.F.R. Section 1.6045-4(E)(5).

Section 11.15 Immunity. The parties agree that Seller does not waive or surrender any of its governmental powers, immunities or rights and, notwithstanding any provision of this Agreement, this Agreement does not control, waive, limit or supplant the legislative authority or discretion of the City Council of the Seller. The provisions of this **Section 11.15** shall expressly survive the Closing or any termination of this Agreement.

Section 11.16 Nonrecording. Neither this Agreement nor any memorandum thereof may be recorded in the public records of any county in the State of Texas by Purchaser, and if this Agreement or any such memorandum is so recorded by Purchaser, the same shall constitute a default under this Agreement.

Section 11.17 Counterpart Execution. This Agreement may be executed in any number of original or electronically scanned counterparts, each of which shall be considered an original, and all of which shall be considered one and the same instrument

Section 11.18 Waivers. All waivers, to be effective, must be in writing and signed by the waiving party. No failure by any party to insist upon the strict or timely performance of any covenant, duty, agreement, term or condition of this Agreement shall constitute a waiver of any such covenant, duty, agreement, term or condition. No delay or omission in the exercise of any right or remedy accruing to any party upon a default of this Agreement shall impair such right or remedy or be construed as a waiver of any such breach or a waiver of any breach theretofore or thereafter occurring.

Section 11.19 Severability. The sections, paragraphs, sentences, clauses, and phrases of this Agreement are severable and, if any phrase, clause, sentence, paragraph, or section of this Agreement should be declared invalid, illegal or unenforceable by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect the validity or enforceability of any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Agreement and such remaining provisions shall remain in full force and effect and shall be construed and enforced as if the invalid provision had never been included in the Agreement.

Section 11.20 Exhibits. All exhibits attached to this Agreement are incorporated herein, and made a part of, this Agreement. Any blanks contained in any Exhibits hereto shall be completed at Closing in accordance with the terms of this Agreement, and any exhibits referenced in the Exhibits attached hereto shall be attached at Closing.

Section 11.21 Execution. The execution of this Agreement by the first party constitutes an offer to buy or sell the Property. If the other party does not execute this Agreement within ten (10) business days after the execution of this Agreement (or counterparts) by the first party, the offer to buy or sell the Property shall be null, void and of no force or effect whatsoever. Immediately upon execution of this Agreement (or counterparts) by the Title Company, the Title Company shall deliver a copy of such fully executed Agreement (with counterpart execution pages, if applicable) to Seller and Purchaser and their respective counsel, at their respective addresses for notice as set forth in this Agreement.

Section 11.22 RFQ No. 2019-046 The parties acknowledge that the negotiations between the parties and the sale and purchase of the Property is pursuant to that certain City of Mesquite and City of Balch Springs Request for Proposal No. 2019-046, together with Addendum No. 1 and Addendum No. 2 thereto (collectively "**RFQ No. 2019-046**") and the proposal dated December 5, 2019, made by Purchaser in response to RFQ No. 2019-046 ("**Proposal**"). The parties agree that the terms, provisions, covenants and conditions in RFQ No. 2019-046 and the Proposal are incorporated into and made a part of this Agreement for all purposes and the Purchaser shall be bound by the terms, provisions, covenants and conditions of RFQ No. 2019-046 and the Proposal. The parties further agree that in the event of any conflict between this Agreement, RFQ No. 2019-046 and the Proposal, this Agreement shall control.

Section 11.23 Form 1295 Certificate. The Purchaser agrees to comply with Texas Government Code, Section 2252.908 and in connection therewith, the Purchaser agrees to go online with the Texas Ethics Commission to complete a Form 1295 Certificate and further agrees to print the completed certificate, execute the completed certificate in such form as is required by Texas Government Code 2252.908 and the rules of the Texas Ethics Commission and provide to the City, at the time of delivery of the original or an executed counterpart of this Agreement, a duly executed and completed Form 1295 Certificate.

Section 11.24 Time is of the Essence. THE PARTIES SPECIFICALLY AGREE THAT TIME IS OF THE ESSENCE OF EACH AND EVERY PROVISION OF THIS AGREEMENT AND EACH PARTY HEREBY WAIVES ANY RULE OF LAW OR EQUITY WHICH WOULD OTHERWISE GOVERN TIME OF PERFORMANCE.


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EXECUTED ON THE DATES STATED BELOW:

SELLER:

CITY OF MESQUITE,
a Texas home-rule municipality

By: _____


Cliff Keheley
City Manager

Date of Execution

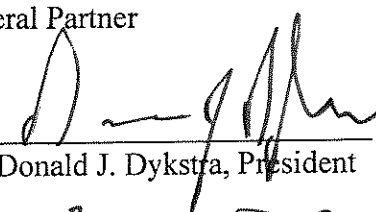
July 1, 2020

PURCHASER:

BLOOMFIELD HOMES, L.P.,
a Texas limited partnership

By: Bloomfield Properties, Inc.,
a Texas corporation
its General Partner

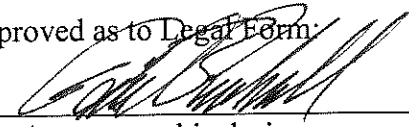
By: _____


Donald J. Dykstra, President

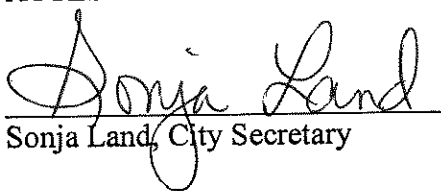
Date of Execution

JUNE 30, 2020

Approved as to Legal Form: _____


City Attorney or his designee

ATTEST:


Sonja Land, City Secretary

ACKNOWLEDGMENT

The undersigned Title Company hereby acknowledges its receipt of an executed copy of this Agreement on the date below and, further, agrees to comply with and be bound by the terms and provisions of this Agreement, and compliance with Section 6045(e) of the Internal Revenue Code of 1986, as amended from time to time, and as further set forth in any Regulations or forms promulgated thereunder.

CAPITAL TITLE COMPANY

By: _____

Name: _____

Title: _____

Date: _____

5025 West Park Boulevard, Suite 100

Plano, Texas 75093

Attn: Diane Perry

Telephone: (972) 985-1898

Email: dperry@ctot.com

EXHIBIT A

LEGAL DESCRIPTION AND/OR DEPICTION OF THE LAND

TRACT 1

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being a portion of that tract of land conveyed to the City of Mesquite, Dallas County, Texas according to deed recorded in Volume 94131, Pages 491-506, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod with NDM plastic cap set in the East right-of-way line of Mercury Road (a 100-foot right-of way), said iron rod being located North 44 degrees 33 minutes 07 seconds East for a distance of 600.00 feet from a 3/8" iron rod found at the intersection of the East right-of-way line of Mercury Road and the North right-of-way line of Beltline Road (a 100-foot right-of-way);

THENCE North 44 degrees 33 minutes 07 seconds East for a distance of 207.26 feet along the East right-of-way line of Mercury Road to a 5/8" iron rod found for corner;

THENCE along a curve to the right and along the East right-of-way line of Mercury Road an arc length of 1049.62 feet to a 1/2" iron rod found for corner, said curve having a central angle of 66 degrees 49 minutes 14 seconds, a radius of 900.00 feet, a tangent length of 593.67 feet, a chord bearing of North 77 degrees 57 minutes 44 seconds East and a chord length of 991.14 feet;

THENCE along a curve to the left and along the East right-of-way line of Mercury Road an arc length of 1165.32 feet to a 1/2" iron rod found in the South right-of-way line of McKenzie Road (a 60-foot right-of-way), said curve having a central angle of 63 degrees 35 minutes 18 seconds, a radius of 1050.00 feet, a tangent length of 650.88 feet, a chord bearing of North 79 degrees 34 minutes 42 seconds East and a chord length of 1106.42 feet;

THENCE South 45 degrees 11 minutes 28 seconds East for a distance of 566.60 feet along the South right-of-way line of McKenzie Road to a 1/2" iron rod found for corner;

THENCE South 44 degrees 56 minutes 01 seconds West for a distance of 933.28 feet to a 1/2" iron rod found for corner;

THENCE South 45 degrees 10 minutes 06 seconds East for a distance of 315.08 feet to a 60d nail found for corner;

THENCE South 44 degrees 40 minutes 51 seconds West for a distance of 1002.38 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 45 degrees 28 minutes 28 seconds West for a distance of 2053.98 feet to the POINT OF BEGINNING, and containing 61.2824 acres (2,669,461 square feet) of land, more or less.

TRACT 2

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being a portion of that tract of land conveyed to the City of Mesquite, Dallas County, Texas according to deed recorded in Volume 94131, Pages 491-506, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod with NDM plastic cap set in the West right-of-way line of Mercury Road (a 100-foot right-of-way), said iron rod being located North 44 degrees 33 minutes 07 seconds East for a distance of 600.00 feet from a 1/2" iron rod found at the intersection of the West right of-way line of Mercury Road and the North right-of-way line of Beltline Road (a 100-foot right-of-way);

THENCE North 45 degrees 29 minutes 16 seconds West for a distance of 1259.17 feet to a 1/2" iron rod found for corner;

THENCE South 44 degrees 31 minutes 58 seconds West for a distance of 4.12 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 45 degrees 24 minutes 39 seconds West for a distance of 295.44 feet to a 1/2" iron rod found for corner in the East right-of-way line of Lakeside Drive (a 60-foot right-of-way);

THENCE North 44 degrees 31 minutes 29 seconds East for a distance of 885.98 feet along the East right-of-way line of Lakeside Drive to a 60d nail found for corner;

THENCE South 45 degrees 30 minutes 46 seconds East for a distance of 769.40 feet to a 1/2" iron rod found for corner;

THENCE North 44 degrees 30 minutes 11 seconds East for a distance of 869.06 feet to a 60d nail found for corner in the South right-of-way line of McKenzie Road (a 60-foot right-of-way);

THENCE along a non-tangent curve to the left and along the South right-of-way line of McKenzie Road an arc length of 149.69 feet to a 3/8" iron rod found for corner, said curve having a central angle of 10 degrees 23 minutes 57 seconds, a radius of 824.74 feet, a tangent length of 75.05 feet, a chord bearing of South 70 degrees 29 minutes 15 seconds East and a chord length of 149.48 feet;

THENCE along a curve to the right and along the South right-of-way line of McKenzie Road an arc length of 407.02 feet to a 1/2" iron rod found for corner, said curve having a central angle of 30 degrees 13 minutes 29 seconds, a radius of 771.58 feet, a tangent length of 208.37 feet, a chord bearing of South 60 degrees 34 minutes 29 seconds East and a chord length of 402.32 feet;

THENCE South 45 degrees 27 minutes 44 seconds East for a distance of 1133.67 feet along the South right-of-way line of McKenzie Road to a 1/2" iron rod found for corner;

THENCE along a curve to the left and along the South right-of-way line of McKenzie Road an arc length of 152.80 feet to a 1/2" iron rod found for corner, said curve having a central angle of 08 degrees 30 minutes 00 seconds, a radius of 1030.00 feet, a tangent length of 76.54 feet, a chord bearing of South 49 degrees 42 minutes 44 seconds East and a chord length of 152.66 feet;

THENCE along a curve to the right and along the South right-of-way line of McKenzie Road an arc length of 157.84 feet to a 1/2" iron rod with NDM plastic cap set for corner in the West right-of-way line of Mercury Road, said curve having a central angle of 09 degrees 19 minutes 25 seconds, a radius of 970.00 feet, a tangent length of 79.10 feet, a chord bearing of South 49 degrees 18 minutes 02 seconds East and a chord length of 157.67 feet;

THENCE along a non-tangent curve to the right and along the West right-of-way line of Mercury Road an arc length of 1049.63 feet to a 1/2" iron rod with NDM plastic cap set for corner, said curve having a central angle of 63 degrees 18 minutes 17 seconds, a radius of 950.00 feet, a tangent length of 585.64 feet, a chord bearing of South 79 degrees 43 minutes 12 seconds West and a chord length of 997.05 feet;

THENCE along a curve to the left and along the West right-of-way line of Mercury Road an arc length of 1166.24 feet to a 1/2" iron rod found for corner, said curve having a central angle of 66 degrees 49 minutes 14 seconds, a radius of 1000.00 feet, a tangent length of 659.64 feet, a chord bearing of South 77 degrees 57 minutes 44 seconds West and a chord length of 1101.26 feet;

THENCE South 44 degrees 33 minutes 07 seconds West for a distance of 207.26 feet along the West right-of-way line of Mercury Road to the POINT OF BEGINNING, and containing 71.4629 acres (3,112,926 square feet) of land, more or less.

TRACT 3

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being a portion of that tract of land conveyed to the City of Mesquite, Dallas County, Texas according to deed recorded in Volume 94131, Pages 491-506, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod with NDM plastic cap set for corner in the West right-of-way line of Mercury Road (a 100-foot right-of-way), said iron rod being located North 44 degrees 33 minutes 07 seconds East for a distance of 200.00 feet from a 1/2" iron rod found at the intersection of the West right of-way line of Mercury Road and the North right-of-way line of Beltline Road (a 100-foot right-of-way);

THENCE North 45 degrees 29 minutes 16 seconds West for a distance of 679.39 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 44 degrees 33 minutes 07 seconds West for a distance of 200.00 feet to a 1/2" iron rod with NDM plastic cap set for corner in the North right-of-way line of Beltline Road;

THENCE North 45 degrees 29 minutes 16 seconds West for a distance of 874.12 feet along the North right-of-way line of Beltline Road to a 5/8" iron rod found for corner;

THENCE North 44 degrees 24 minutes 08 seconds East for a distance of 301.61 feet to a 1/2" iron rod found for corner;

THENCE South 45 degrees 26 minutes 26 seconds East for a distance of 295.23 feet to a 1/2" iron rod found for corner;

THENCE North 44 degrees 31 minutes 58 seconds East for a distance of 298.64 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 45 degrees 29 minutes 16 seconds East for a distance of 1259.17 feet to a 1/2" iron rod with NDM plastic cap set for corner in the West right-of-way line of Mercury Road;

THENCE South 44 degrees 33 minutes 07 seconds West for a distance of 400.00 feet along the West right-of-way line of Mercury Road to the POINT OF BEGINNING, and containing 16.2641 acres (708,466 square feet) of land, more or less.

TRACT 4

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being a portion of that tract of land conveyed to the City of Mesquite, Dallas County, Texas according to deed recorded in Volume 94131, Pages 491-506, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod with NDM plastic cap set for corner in the East right-of-way line of Mercury Road (a 100-foot right-of-way), said iron rod being located North 44 degrees 33 minutes 07 seconds East for a distance of 200.00 feet from a 3/8" iron rod found at the intersection of the East right-of-way line of Mercury Road and the North right-of-way line of Beltline Road (a 100-foot right-of-way);

THENCE North 44 degrees 33 minutes 07 seconds East for a distance of 400.00 feet along the East right-of-way line of Mercury Road to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 45 degrees 28 minutes 28 seconds East for a distance of 2053.98 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 44 degrees 40 minutes 51 seconds West for a distance of 165.28 feet to a 1/2" iron rod found for corner;

THENCE North 45 degrees 25 minutes 08 seconds West for a distance of 499.69 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 44 degrees 38 minutes 21 seconds West for a distance of 436.11 feet to a 3/4" iron rod found for corner in the North right-of-way line of Beltline Road;

THENCE North 45 degrees 25 minutes 51 seconds West for a distance of 388.15 feet along the North right-of-way line of Beltline Road to a 1/2" iron rod found for corner;

THENCE North 44 degrees 53 minutes 32 seconds West for a distance of 59.89 feet along the North right-of-way line of Beltline Road to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 45 degrees 28 minutes 28 seconds West for a distance of 905.21 feet along the North right-of-way line of Beltline Road to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 44 degrees 33 minutes 07 seconds East for a distance of 200.00 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 45 degrees 28 minutes 28 seconds West for a distance of 200.00 feet to the POINT OF BEGINNING, and containing 22.3832 acres (975,014 square feet) of land, more or less.

EXHIBIT B

SURVEYOR'S CERTIFICATE

The undersigned hereby certifies to the City of Mesquite, a Texas home rule municipality, Bloomfield Homes, L.P., a Texas limited partnership, and Capital Title Company that (i) this Survey was made on the ground on the ____ day of _____, 202__ as per the field notes shown on the Survey, and correctly shows all corners, angle points, boundary lines, dimensions, gross acres and net acres of the Property; (ii) the Survey correctly shows the size, type and location of all buildings, structures, other visible improvements and visible items on the Property, all being within the boundaries of the Property except as shown hereon; (iii) the Survey correctly shows the location and dimensions of such matters as are reflected according to the legal description in such recorded documents or of which the surveyor has knowledge or has been advised whether or not of record; (iv) ingress to and egress from the Property is provided by the roads as indicated hereon, and all abutting public streets providing access to the Property together with the width and name thereof, and all other significant items and proposed streets and/or roads relating to or affecting the Property have been correctly shown on the Survey; (v) except as shown on the Survey, there are no visible easements or rights-of-way; (vi) except as shown on the Survey, there are no (a) encroachments upon the Property by any improvements on adjacent property, (b) encroachments upon adjacent property, streets or alleys by any improvements on the Property, or (c) conflicts or protrusions; (vii) according to the Federal Emergency Management Agency Rate Map, Community Panel No. _____, dated _____, _____ and Community Panel No. _____, dated _____, _____ no portion of the Property lies within a flood plain, flood zone or flood hazard area under any applicable federal, state or local ordinance, statute or regulation, and none of the Property lies within the one hundred year flood plain or is subject to any special flood hazard, except as shown on the Survey; (viii) the metes and bounds description contained hereon is correct; and (ix) the Survey (a) conforms to the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A, Condition II Survey, and (b) conforms to the current standards promulgated by the Texas Board of Professional Land Surveying.

S E A L

Registered Professional Land Surveyor

Texas Registered Number

Printed Name: _____

Address: _____

City, State, _____

Zip _____

Telephone _____

Fax _____

E-mail _____

Job number _____

EXHIBIT C

DEED WITHOUT WARRANTY

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.

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF DALLAS	§	

THAT, the City of **MESQUITE**, a Texas home rule municipality ("**Grantor**"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, paid to Grantor by BLOOMFIELD HOMES, L.P., a Texas limited partnership, having an address at 1050 E. State Highway 114, Suite 210, Southlake, Texas 76092 ("**Grantee**"), has GRANTED and by these presents does hereby GRANT unto Grantee, **WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW OR OTHERWISE**, all of Grantor's right, title and interest, if any, in and to that certain land (the "**Land**") situated in Dallas County, Texas, more particularly described on **Exhibit A** attached hereto and incorporated herein by reference for all purposes, together with any improvements situated thereon, and (b) all of Grantor's right, title and interest, if any, in and to any minerals in, on or under the Land (Grantor's right, title and interest, if any, in and to the Land and improvements situated thereon together with Grantor's right, title and interest, if any, in and to any minerals in, on or under the Land are hereinafter collectively referred to as the "**Property**").

Without limiting the foregoing disclaimer of warranty, this deed is expressly made subject to those certain encumbrances, easements and other matters more particularly described on **Exhibit B** attached hereto and incorporated herein by reference (the "**Permitted Exceptions**"), but only to the extent that such Permitted Exceptions are valid, subsisting and, in fact, affect the Property.

GRANTOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW OR OTHERWISE WITH RESPECT TO ANY MATTER CONCERNING THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE FOLLOWING: (i) TITLE TO THE PROPERTY; (ii) THE HABITABILITY, MARKETABILITY, MERCHANTABILITY, OR SUITABILITY OR FITNESS OF THE PROPERTY FOR A PARTICULAR PURPOSE OR USE; (iii) THE NATURE AND CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, WATER, DRAINAGE AND GRADING, SOIL AND GEOLOGY, ZONING, ANNEXATION, EXTRATERRITORIAL JURISDICTION AND OTHER ZONING AND JURISDICTIONAL ISSUES, LOCATION OF CEMETERIES, UTILITY AVAILABILITY OR HOOK-UP, EASEMENT RIGHTS, FLOOD PLAINS (OR PORTIONS OF THE PROPERTY IN A FLOOD PLAIN) AND THE COSTS AND REQUIREMENTS OF SAME, ACCESS TO STREETS,

COSTS OF UTILITIES, LOCATION OF CURB CUTS AND MEDIAN BREAKS IN STREETS, SEWAGE FACILITIES (INCLUDING, WITHOUT LIMITATION, AVAILABILITY OR NON-AVAILABILITY OF APPROPRIATE WATER AND SEWER CAPACITY) OR OTHER GOVERNMENTAL RIGHTS OR OBLIGATIONS; (iv) THE COMPLETENESS, ACCURACY OR APPROVAL OF PERMITS, SURVEYS, PLATS, PRELIMINARY PLATS, POLLUTION ABATEMENT PLANS, SUBDIVISION PLANS OR REPORTS CONCERNING THE PROPERTY; (v) TAX CONSEQUENCES; (vi) THE COMPLIANCE OF ALL OR ANY PART OF THE PROPERTY WITH APPLICABLE ENVIRONMENTAL LAWS, RULES OR REGULATIONS WITH RESPECT TO HEALTH, THE ENVIRONMENT, AND ENDANGERED SPECIES AND WETLANDS (COLLECTIVELY, "ENVIRONMENTAL LAWS") INCLUDING, WITHOUT LIMITATION, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT OF 1980 (42 U.S.C. §9601, ET. SEQ.), AS AMENDED, THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976 (42 U.S.C. §6901, ET. SEQ.), AS AMENDED, THE ENDANGERED SPECIES ACT (16 U.S.C. §1531, ET SEQ.), AS AMENDED, THE TEXAS WATER CODE, AS AMENDED, THE TEXAS NATURAL RESOURCE CODE, AS AMENDED, THE TEXAS SOLID WASTE DISPOSAL ACT, AS AMENDED, AND ALL OTHER FEDERAL, STATE AND LOCAL LAWS, STATUTES, ORDINANCES, RULES AND REGULATIONS, AS AMENDED, THAT REGULATE THE USE, STORAGE, TREATMENT, GENERATION, DISPOSAL, TRANSPORTATION, DISCHARGE, RELEASE, THREATENED RELEASE AND/OR REMEDIATION OF HAZARDOUS WASTES, HAZARDOUS MATERIALS, HAZARDOUS SUBSTANCES, POLLUTANTS, TOXIC WASTE, TOXIC MATERIALS AND TOXIC SUBSTANCES; (vii) THE EXISTENCE OF ASBESTOS, OIL, ARSENIC, PETROLEUM OR CHEMICAL LIQUIDS OR SOLIDS, LIQUID OR GASEOUS PRODUCTS OR HAZARDOUS SUBSTANCES AS THOSE TERMS AND SIMILAR TERMS ARE DEFINED OR USED IN APPLICABLE ENVIRONMENTAL LAWS; (viii) THE NATURE AND EXTENT OF ACCESS TO RIGHTS-OF-WAY OR UTILITIES, AVAILABILITY OF PERMITS TO ACCESS RIGHTS-OF-WAY OR UTILITIES ON THE PROPERTY, OTHER PROPERTY OWNED BY GRANTOR (IF ANY), OR ANY LAND OWNED BY THIRD PARTIES; (ix) EASEMENTS, MINERAL INTERESTS, ENCUMBRANCES, LICENSES, RESERVATIONS, CONDITIONS OR OTHER SIMILAR MATTERS AFFECTING THE PROPERTY; (x) COMPLIANCE WITH ANY LAW, ORDINANCE OR REGULATION OF ANY GOVERNMENTAL ENTITY OR BODY; AND (xi) CLAIMS, DEMANDS, OR OTHER MATTERS RELATING TO ANY RESTRICTIVE COVENANTS ENCUMBERING THE PROPERTY. THE SALE OF THE PROPERTY BY GRANTOR TO GRANTEE IS MADE ON AN **"AS IS, WHERE IS"** AND **"WITH ALL FAULTS"** BASIS. GRANTEE ACKNOWLEDGES THAT GRANTEE HAS HAD THE FULL, COMPLETE AND UNFETTERED RIGHT TO INSPECT THE PROPERTY TO GRANTEE'S SATISFACTION AND THAT THE PURCHASE PRICE PAID FOR THE PROPERTY WAS IN PART BASED UPON THE FACT THAT THE TRANSFER OF THE PROPERTY BY GRANTOR TO GRANTEE IS WITHOUT WARRANTY OR REPRESENTATION. BY ACCEPTANCE OF THIS DEED, GRANTEE ACKNOWLEDGES THAT GRANTEE HAS RELIED ONLY UPON GRANTEE'S OWN INVESTIGATIONS, ASSESSMENTS AND INSPECTIONS AS TO THE CONDITION OF THE PROPERTY, OR GRANTEE'S OWN DECISION NOT TO INSPECT ANY MATTER AND GRANTEE ACKNOWLEDGES THAT GRANTEE DID NOT RELY ON ANY REPRESENTATION, WARRANTY, STATEMENT OR

NON-ASSERTION OF GRANTOR OR GRANTOR'S OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, CONSULTANTS, OR INDEPENDENT CONTRACTORS IN MAKING GRANTEE'S DECISION TO PURCHASE THE PROPERTY. IN ADDITION, BY ACCEPTANCE OF THIS DEED, GRANTEE AND ANYONE CLAIMING BY, THROUGH OR UNDER GRANTEE, HEREBY FULLY RELEASES GRANTOR, AND GRANTOR'S EMPLOYEES, OFFICERS, ELECTED OFFICIALS, REPRESENTATIVES, ATTORNEYS AND AGENTS (EACH A "GRANTOR RELATED PARTY") FROM ANY AND ALL CLAIMS AGAINST GRANTOR AND EACH GRANTOR RELATED PARTY FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION (INCLUDING, WITHOUT LIMITATION, ANY RIGHTS OF CONTRIBUTION) ARISING FROM OR RELATED TO ANY LATENT OR PATENT DEFECTS OF THE PROPERTY OR FOR ANY ERRORS, OMISSIONS, OR OTHER CONDITIONS AFFECTING THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THOSE MATTERS DESCRIBED IN CLAUSES (i) THROUGH (xi) ABOVE AND ANY ALLEGED NEGLIGENCE OF GRANTOR OR ANY GRANTOR RELATED PARTY. THIS COVENANT RELEASING GRANTOR AND EACH GRANTOR RELATED PARTY SHALL BE A COVENANT RUNNING WITH THE PROPERTY AND SHALL BE BINDING UPON GRANTEE, GRANTEE'S SUCCESSORS AND ASSIGNS, AND ALL FUTURE OWNERS OF ALL OR ANY PORTION OF THE PROPERTY.

EXCLUDED AND EXCEPTED FROM THIS DEED ARE ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE PROPERTY INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES ARISING AT COMMON LAW OR IMPLIED AS A RESULT OF §5.023 OF THE TEXAS PROPERTY CODE, AS AMENDED, OR ANY SUCCESSOR STATUTE.

TO HAVE AND TO HOLD the Property (subject to the foregoing) unto Grantee and Grantee's successors and assigns forever.

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EXECUTED to be effective as of the ____ day of _____, 20____.

GRANTOR:

CITY OF MESQUITE,
a Texas home rule municipality

By: _____
Cliff Keheley
City Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Before me, the undersigned officer, on this day personally appeared Cliff Keheley, City Manager of the City of **MESQUITE**, a Texas home rule municipality, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this ____ day of _____, 20____.

SEAL

Notary Public In and for the State of Texas

AFTER RECORDING, SEND TO:
Bloomfield Homes, L.P.
1050 E. State Highway 114, Suite 210
Southlake, Texas 76092
Attention: Donald J. Dykstra

SEND TAX NOTICES TO:
Bloomfield Homes, L.P.
1050 E. State Highway 114, Suite 210
Southlake, Texas 76092
Attention: Donald J. Dykstra

Exhibit A – Legal Description
Exhibit B – Permitted Exceptions

EXHIBIT D

NONFOREIGN AFFIDAVIT

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Cliff Keheley, ("**Affiant**"), City Manager of the City of Mesquite, a Texas home rule municipality ("**Transferor**"), who after being duly sworn, did depose and state under penalty of perjury for purposes of Section 1445 of the Internal Revenue Code of 1986, as amended, that:

1. "He examined this Nonforeign Affidavit and to the best of his knowledge and belief it is true, correct and complete, and

2. "In connection with the sale, transfer and grant of the property (the "**Property**") described in **Exhibit A** attached hereto and incorporated herein by reference by Transferor to BLOOMFIELD HOMES, L.P., a Texas limited partnership ("**Transferee**"), that (i) Transferor is not a foreign person, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code of 1986, as amended from time to time and as further set forth in any Regulations promulgated thereunder), (ii) Transferor is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii) of the Internal Revenue Code of 1986, as amended, (iii) Transferor's United States employer identification number is _____, (iv) Transferor's address is 1515 N. Galloway Avenue, Mesquite, Texas 75149, (v) Transferor is aware that Transferee is relying upon this instrument in not withholding ten percent (10%) of the amount realized on the disposition of the Property by Transferor to Transferee as required of Transferee by Section 1445 of the Internal Revenue Code of 1986, as amended, and (vi) this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment or both.

Further Affiant sayeth not."

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXECUTED to be effective this ____ day of _____, 20____.

AFFIANT:

CITY OF MESQUITE,
a Texas home rule municipality

By: _____
Cliff Keheley
City Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Before me, the undersigned officer, on this day personally appeared Cliff Keheley, City Manager of the City of Mesquite, a Texas home rule municipality, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this ____ day of _____, 20____.

SEAL

Notary Public in and for the State of Texas

Exhibit A – Legal Description

EXHIBIT E

PURCHASER'S CERTIFICATE OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE PRINTED: 11/7/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hotchkiss Insurance Agency, LLC 4120 International Parkway Suite 2000 Carrollton TX 75007		CONTACT NAME: Dallas Certs PHONE: (972) 844-8800-87750 FAX: (972) 844-87750 E-MAIL: dallascerts@hialc.com ADDRESS:															
INSURED Bloomfield Homes, LP, Bloomfield Properties, Inc. Justin Timberbrook, LLC 1050 East HWY 114 #210 Southlake TX 76092		INSURERS AFFORDING COVERAGE <table border="1"> <tr> <th>INSURER</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: National Builders Insurance Company</td> <td>10632</td> </tr> <tr> <td>INSURER B: Texas Mutual Insurance Company</td> <td>22945</td> </tr> <tr> <td>INSURER C: United Specialty Insurance Company</td> <td>12537</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>		INSURER	NAIC #	INSURER A: National Builders Insurance Company	10632	INSURER B: Texas Mutual Insurance Company	22945	INSURER C: United Specialty Insurance Company	12537	INSURER D:		INSURER E:		INSURER F:	
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INSURER D:																	
INSURER E:																	
INSURER F:																	

COVERAGES

CERTIFICATE NUMBER: 750548515

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

NAIC #	TYPE OF INSURANCE	ACCIDENT PERIOD	POLICY NUMBER	POLICY EFF. DATE (MM/DD/YYYY)	POLICY EXP. DATE (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OTHER GENERAL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROTECT <input type="checkbox"/> LOC			11/10/2018	11/10/2020	EACH OCCURRENCE \$3,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$300,000 MED EXP (Per person) \$10,000 PERSONAL & ADV INJURY \$3,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMMODITY AGG \$3,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			11/10/2018	11/10/2020	COMBINED SINGLE LIMIT (Per accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
C	UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> RETENTION \$: <input checked="" type="checkbox"/> CLAIMS-MADE			11/10/2018 11/10/2018	11/10/2020 11/10/2020	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER MEMBER EMPLOYED? (Mandatory in TX) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, describe under DESCRIPTION OF OPERATIONS below			11/10/2018	11/10/2020	<input checked="" type="checkbox"/> CIVIL STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 141, Additional Remarks Schedule, may be attached if more space is required)
 The general liability policy includes a blanket additional insured endorsement (BIG GLECE 04/13) when required by written contract.
 The general liability policy includes a blanket waiver of subrogation endorsement (BIG GLECE 04/13) when required by written contract.
 The general liability policy includes a special endorsement with Primary and Noncontributory wording (BIG GLECE 04/13).
 The Hired Car Non-owned coverage is subject to the General Aggregate Limit on the above referenced General Liability section.

CERTIFICATE HOLDER 	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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ACORD 25 (2018/03)

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