

Real Estate Sales Contract

This Real Estate Sales Contract (“Contract”) is by and between the TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation, (“Seller”) and the BLANCHARD REFINING COMPANY, LLC, a Delaware limited liability company (“Buyer”) and is effective on the date (“Effective Date”) of the last of the signatures by Seller and Buyer as parties to this Contract.

Buyer must deliver the Earnest Money to Title Company before the Earnest Money Deadline provided in section A.1. for this Contract to be effective. The Earnest Money shall be remitted by wire transfer in immediately available funds. If Buyer fails to remit the Earnest Money as required, the Buyer is in default.

Seller: Texas City Economic Development Corporation
1801 Palmer Highway
Texas City, Texas 77590

Buyer: Blanchard Refining Company, LLC
c/o Real Estate, 539 S. Main St.
Findlay, Ohio 45840

Real Property:

Fifteen (15) separate parcels of real property located generally within Texas City, Texas and consisting of approximately 1.99 acres of land, 86,688 square feet, as listed and more particularly described in Exhibit “A” attached hereto and incorporated herein (“Property”).

Title Company: Shall be determined at Buyer’s sole discretion.

Purchase Price: TWO DOLLARS AND 45/100 (\$2.45) per Square foot totaling \$212,385.60 (Paid in readily available funds).

Earnest Money: TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00)

Surveyor: Shall be determined at the Buyer’s discretion.

A. Deadlines and Other Dates

All deadlines in this contract expire at 5:00 P.M. local time where the Property is located. If a deadline falls on a Saturday, Sunday, or national holiday, the deadline will be extended to the next day that is not a Saturday, Sunday, or national holiday. A national holiday is a holiday designated by the federal government. Time is of the essence.

1. Earnest Money Deadline: To be issued within five (5) business days after the Effective Date.

2. Delivery of Title Commitment by Buyer: sixty (60) days after the Effective Date.
3. Delivery of Survey: Buyer to provide survey due within ninety (90) days of Effective Date, if Buyer elects to have a survey(s) prepared.
4. [INTENTIONALLY DELETED]
5. Buyer shall have fourteen (14) days after receipt of the Title Commitment and Survey, if applicable, and legible copies of the instruments referenced in them to review said Title Commitment and Survey, if applicable.
6. Inspection: Buyer shall have the right to conduct a non-invasive inspection of the Property within fourteen (14) days of the Effective Date.
7. Closing Date: Closing shall occur within thirty (30) days after the resolution of any title objections or inspection findings identified by Buyer.

B. Closing Documents

1. At closing, Seller will deliver the following items:
 - (a) a Special Warranty Deed with applicable deed restrictions for each Property, free and clear of all liens, encumbrances and restrictions whatsoever, including assessments;
 - (b) furnishing of BUYER assurance that all taxes which are or will be due, following the last date of payment remitted, are considered a lien against said Property and are to be paid, prorated to the date of transfer of title to BUYER, calculated upon reasonable and equitable estimates where necessary;
 - (c) execute an affidavit to be supplied by BUYER that there are no liens upon the Property nor outstanding orders or unpaid bills for goods, labor or materials, including utilities, which may become a lien upon the Property;
 - (d) execute and deliver to BUYER an affidavit or any other document required by law to entitle the deed to BUYER to be recorded;
 - (e) execute and deliver to BUYER a Certification pursuant to Section 1445 of the Internal Revenue Code that SELLER is not a foreign corporation, foreign partnership, foreign trust, or foreign estate; and
 - (f) execute and deliver to BUYER any other document required to affect the transfer of legal title to BUYER pursuant to the terms of this Agreement and/or requests of the title company.
2. At closing, Buyer will deliver the following items:
 - (a) Evidence of Buyer's authority to consummate this transaction; and

(b) Balance of Purchase Price in readily available funds.

The documents listed in this section B are collectively known as the “Closing Documents.”

C. [INTENTIONALLY DELETED]

D. Purchase and Sale of Property

Seller agrees to sell and convey the Property to Buyer subject to the terms and conditions stated herein and contained in Exhibit “B” and Buyer agrees to buy and pay Seller for the Property. The representations and promises by Buyer and Seller stated in this contract are the consideration for the formation of this contract.

E. [INTENTIONALLY DELETED]

F. Title and Survey

1. *Review of Title.* The following statutory notice is provided to Buyer on behalf of the real estate licensees, if any, involved in this transaction: Buyer is advised that it should either have the abstract covering the Property examined by an attorney of Buyer’s own selection or be furnished with or obtain a policy of title insurance.

2. *Title Commitment; Title Policy.* “Title Commitment” means a Commitment for Issuance of an Owner Policy of Title Insurance by Title Company, as agent for Underwriter, stating the condition of title to the Land. The “effective date” stated in the Title Commitment must be after the Effective Date of this contract. “Title Policy” means an Owner Policy of Title Insurance issued by Title Company, as agent for Underwriter, in conformity with the last Title Commitment delivered to and approved by Buyer.

3. *Survey.* “Survey” means an on-the-ground, staked plat of survey and metes-and-bounds description of the Land, prepared by Surveyor or another surveyor satisfactory to Title Company, dated after the Effective Date, and certified to comply with the current standards and specifications as published by the Texas Society of Professional Surveyors for the Survey Category.

4. [INTENTIONALLY DELETED]

5. *Title Objections.* Buyer has until the deadline stated in section A.5. (“Title Objection Deadline”) to review the Survey, Title Commitment, and legible copies of the title instruments referenced in them and notify Seller of Buyer’s objections to any of them (“Title Objections”). Buyer will be deemed to have approved all matters reflected by the Survey and Title Commitment to which Buyer has made no Title Objection by the Title Objection Deadline. The matters that Buyer either approves or is deemed to have approved are “Permitted Exceptions.” If Buyer notifies Seller of any Title Objections, Seller has five (5) days from receipt of Buyer’s notice to notify Buyer whether Seller agrees to cure the Title Objections before closing (“Cure Notice”). If Seller does not timely give its Cure Notice or timely gives its Cure Notice but does not agree to cure all the Title Objections before closing, Buyer may, within five (5) days after the deadline for

the giving of Seller's Cure Notice, notify Seller that either this contract is terminated or Buyer will proceed to close, subject to Seller's obligations to resolve the items listed in Schedule C of the Title Commitment, remove the liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date, and cure only the Title Objections that Seller has agreed to cure in the Cure Notice. At or before closing, Seller must resolve the items that are listed on Schedule C of the Title Commitment, remove all liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date of this contract, and cure the Title Objections that Seller has agreed to cure.

6. *Inspection Findings.* Buyer has until the deadline stated in section A.6. ("Inspection Findings Deadline") to review the Inspection Findings and notify Seller of any concerns. Buyer and Seller agree to work in good faith to resolve any findings that Buyer determines to be a concern, specifically including, but not limited to, the need to remove fixtures, personal property, or permanent and temporary structures which are on the Property. If Buyer and Seller cannot resolve such concerns, Buyer shall have the right to terminate this Agreement.

G. [INTENTIONALLY DELETED]

H. [INTENTIONALLY DELETED]

I. Termination

1. *Disposition of Earnest Money after Termination*

a. RETURN OF EARNEST MONEY. If Buyer timely notifies Seller of its decision to terminate this Agreement pursuant to the terms hereof, all of the Earnest Money, less \$100 as independent contract consideration (the "Independent Contract Consideration") to be paid to the Seller, shall be refunded to Buyer immediately upon request, and all further rights and obligations of the parties under this Agreement shall terminate except for all indemnity obligations of the parties hereto or other provisions of this Agreement that expressly survive the termination of this Agreement.

K. Closing

1. *Closing.* It is contemplated that this transaction, at the option of either party, may be concluded through an escrow closing and, in such event, all funds and documents pertaining to this transaction shall be placed in escrow on or before the closing date, with Buyer paying all closing costs. At closing, the following will occur:

- a. *Closing Documents.* The parties will execute and deliver the Closing Documents.
- b. *Payment of Purchase Price.* Buyer will deliver the Purchase Price and other amounts that Buyer is obligated to pay under this contract to Title Company in funds acceptable to Title Company. The Earnest Money will be applied to the Purchase Price.

- c. *Disbursement of Funds; Recording; Copies.* Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this contract, record the deed and the other Closing Documents directed to be recorded, and distribute documents and copies in accordance with the parties' written instructions.

2. *Transaction Costs*

- a. *Seller's Costs.* Seller will pay all costs to obtain, deliver and record all documents to cure Title Objections agreed to be cured by Seller; the costs to obtain certificates or reports of ad valorem taxes; and Seller's expenses and attorney's fees.
- b. *Buyer's Costs.* Buyer will pay the basic charge for the Title Policy, all of the escrow fee charged by Title Company; the costs to obtain, deliver, and record all documents other than those to be recorded at Seller's expense; the additional premium for the "survey/area and boundary deletion" in the Title Policy, if the deletion is requested by Buyer; the costs of work required by Buyer to have the survey reflect matters other than those required under this contract; and Buyer's expenses and attorney's fees.
- c. *Ad Valorem Taxes.* Ad valorem taxes for the Property for the calendar year of closing will be prorated between Buyer and Seller as of the Closing Date. All taxes due as of closing will be paid at closing.
- d. *Postclosing Adjustments.* If errors in the prorations made at closing are identified within thirty (30) days after closing, Seller and Buyer will make postclosing adjustments to correct the errors within fifteen days of receipt of notice of the errors.
- e. *Brokers' Commissions.* Buyer and Seller each agree and understand that no broker has been used in this transaction and to the best of Seller's knowledge and information, no broker or other person is entitled to any commission or finder's fee in connection with this transaction.

3. *Issuance of Title Policy.* Buyer may cause Title Company to issue the Title Policy as soon as practicable after closing.

L. Default and Remedies

1. *Seller's Default.* If Seller fails to perform any of its obligations under this contract or if any of Seller's representations is not true and correct as of the Effective Date or on the Closing Date ("Seller's Default"), Buyer may as its sole and exclusive remedy:

- a. *Termination; Liquidated Damages.* If Seller fails to comply with this contract, Seller will be in default and Buyer may terminate this contract and

receive the earnest money, thereby releasing both parties from any further obligations under this contract. Buyer may not enforce specific performance of Seller's obligations under this contract.

2. *Buyer's Default.* If Buyer fails to perform any of its obligations under this contract ("Buyer's Default"), Seller may as its sole and exclusive remedy:

a. *Termination; Liquidated Damages.* If Buyer fails to comply with this contract, Buyer will be in default and Seller may terminate this contract and receive the earnest money, thereby releasing both parties from any further obligation under this contract. Seller may not enforce specific performance of Buyer's obligations under this contract.

3. *Liquidated Damages.* The parties agree that just compensation for the harm that would be caused by a default by either party cannot be accurately estimated or would be very difficult to accurately estimate and that the Earnest Money is reasonable and just compensation to the non-defaulting party for the harm that would be caused by a default.

4. *Attorney's Fees.* If either party retains an attorney to enforce this contract, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

M. Miscellaneous Provisions

1. *Notices.* Any notice required by or permitted under this contract must be in writing. Any notice required by this contract will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this contract. Notice may also be given by personal delivery, courier delivery (FedEx/UPS), or electronic mail, and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein. Copies of each notice must be given by one of these methods to the attorney of the party to whom notice is given.

2. *Entire Contract.* This contract, together with its exhibits, and any Closing Documents delivered at closing constitute the entire agreement of the parties concerning the sale of the Property by Seller to Buyer. There are no oral representations, warranties, agreements, or promises pertaining to the sale of the Property by Seller to Buyer not incorporated in writing in this contract.

3. *Amendment.* This contract may be amended only by an instrument in writing signed by the parties.

4. *Assignment.* Buyer may assign this contract and Buyer's rights under it only to an entity in which Buyer possesses, directly or indirectly, the power to direct or cause the direction of its management and policies. No such assignment will relieve Buyer of its obligations under this contract, and Buyer and the assignee will be jointly and severally liable for the performance

of such obligations after any such assignment. This contract binds, benefits, and may be enforced by the parties and their respective heirs, successors, and permitted assigns.

5. *Survival.* The obligations of this contract that cannot be performed before termination of this contract or before closing will survive termination of this contract or closing, and the legal doctrine of merger will not apply to these matters. If there is any conflict between the Closing Documents and this contract, the Closing Documents will control.

6. *Choice of Law; Venue; Alternative Dispute Resolution.* This contract will be construed under the laws of the state of Texas, without regard to choice-of-law rules of any jurisdiction. Venue is in the County for Performance, except as otherwise provided by applicable law. Time permitting, the parties will submit in good faith to an alternative dispute resolution process before filing a suit concerning this contract.

7. *Waiver of Default.* It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays taking any action with respect to the default.

8. *No Third-Party Beneficiaries.* There are no third-party beneficiaries of this contract.

9. *Severability.* The provisions of this contract are severable. If a court of competent jurisdiction finds that any provision of this contract is unenforceable, the remaining provisions will remain in effect without the unenforceable parts.

10. *Ambiguities Not to Be Construed against Party Who Drafted Contract.* The rule of construction that ambiguities in a document will be construed against the party who drafted it will not be applied in interpreting this contract.

11. *No Special Relationship.* The parties' relationship is an ordinary commercial relationship, and they do not intend to create the relationship of principal and agent, partnership, joint venture, or any other special relationship.

12. *Counterparts.* If this contract is executed in multiple counterparts, all counterparts taken together will constitute this contract.

13. *Confidentiality.* The parties will keep confidential this contract, this transaction, and all information learned in the course of this transaction, except to the extent disclosure is required by law or court order or to enable third parties to advise or assist Buyer to investigate the Property or either party to close this transaction.

Seller:

Texas City Economic Development Corporation

By: _____

Mark Ciavaglia, President

Date: _____

Buyer:

Blanchard Refining Company, LLC

By: _____

Kevin D. Bogard, Vice President Refining

Date: _____

Exhibit "A"

No.	Parcel ID	Area, SF	Street Address	Legal Description
1	182211	6,250	1317 2nd Avenue S. Texas City, TX 77590	ABST 72 PAGE 3 LOT 4 BLK 48 KOHFELDTS 1ST ADDN
2	182290	6,250	1105 2nd Avenue S. Texas City, TX 77590	ABST 72 PAGE 3 LOTS 15 & 16 BLK 59 EXTN OF KOHFELDTS 1ST ADDN
3	225042	3,125	631 2nd Avenue S. Texas City, TX 77590	ABST 77 PAGE 2 LOT 1 BLK 172 TEXAS CITY
4	225044	3,750	627 2nd Avenue S. Texas City, TX 77590	ABST 77 PAGE 2 E 12 FT OF LOT 3 & W 18 FT OF LOT 4 BLK 172 TEXAS CITY
5	225057	6,250		ABST 77 N HURD SUR LOTS 7 & 8 BLK 173 TEXAS CITY
6	225078	6,250	716 2nd Avenue S. Texas City, TX 77590	ABST 77 N HURD SUR LOTS 9 & 10 BLK 180 TEXAS CITY
7	225082	6,250	109 8th Street S. Texas City, TX 77590	ABST 77 PAGE 1 & 2 LOTS 1 & 2 BLK 181 TEXAS CITY
8	225397	3,125	812 2nd Avenue S. Texas City, TX 77590	ABST 77 PAGE 1 N 1/2 OF LOTS 10 & 11 (10-1) BLK 221 TEXAS CITY
9	225421	5,500	212 9th Street S. Texas City, TX 77590	ABST 77 PAGE 1 LOTS 12 & 13 BLK 228 TEXAS CITY
10	225426	4,688	921 2nd Avenue S. Texas City, TX 77590	ABST 77 PAGE 1 LOT 5 & E 1/2 OF LOT 4 BLK 229 TEXAS CITY
11	225455	2,750	20 9th Street S. Texas City, TX 77590	ABST 77 PAGE 1 LOT 16 BLK 232 TEXAS CITY
12	225422	5,500	218 9th Street S. Texas City, TX 77590	ABST 77 PAGE 1 LOTS 14 & 15 BLK 228 TEXAS CITY
13	225372	8,250	17 9th Street S. Texas City, TX 77590	ABST 77 PAGE 1 LOTS 3 THRU 5 BLK 219 TEXAS CITY
14	182086	12,500		ABST 72 PAGE 3 LOT 1 & 2 BLK 29 KOHFELDTS 1 ST ADDN
15	182109	6,250	1232 6 th Ave S. Texas City, TX 77590	ABST 72 PAGE 3 LOT 1 BLK 32 KOHFELDTS 1 ST ADDN

Exhibit B

Representations; Environmental Matters

A. Seller's Representations to Buyer

Seller represents to Buyer that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

1. *Authority.* Seller is a Texas non-profit corporation duly organized, validly existing, and in good standing under the laws of the state of Texas with authority to convey the Property to Buyer. This contract is, and all documents required by this contract to be executed and delivered to Buyer at closing will be, duly authorized, executed, and delivered by Seller.

2. *Litigation.* There is no litigation pending or threatened against Seller that might affect the Property or Seller's ability to perform its obligations under this contract,

3. *Violation of Laws.* Seller has not received notice of violation of any law, regulation, or requirements affecting the Property or Seller's use of the Property.

4. *No Other Obligation to Sell the Property or Restriction against Selling the Property.* Seller has not obligated itself to sell the Property to any party other than Buyer. Seller's performance of this contract will not cause a breach of any other agreement or obligation to which Seller is a party or to which it is bound.

5. *No Warranty.* Seller has made no warranty in connection with this contract.

B. "As Is, Where Is"

THIS CONTRACT IS AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THE CLOSING DOCUMENTS AND SELLER'S REPRESENTATIONS TO BUYER SET FORTH IN SECTION A OF THIS EXHIBIT B.

THE PROPERTY WILL BE CONVEYED TO BUYER IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS. SELLER MAKES NO WARRANTY OF CONDITION, MERCHANTABILITY, OR SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PERSONAL PROPERTY. ALL WARRANTIES, EXCEPT THE WARRANTY OF TITLE IN THE CLOSING DOCUMENTS, AND THE WARRANTIES TO BUYER SET FORTH IN SECTION A OF THIS EXHIBIT B, ARE DISCLAIMED.

BUYER ACKNOWLEDGES AND AGREES THAT BUYER IS RELYING SOLELY ON BUYER'S EXAMINATION OF THE PROPERTY. BUYER IS NOT RELYING ON ANY INFORMATION OR DISCLOSURES PROVIDED BY SELLER.

C. Environmental Matters

AFTER CLOSING, AS BETWEEN BUYER AND SELLER, THE RISK OF LIABILITY OR EXPENSE FOR ENVIRONMENTAL PROBLEMS, EVEN IF ARISING FROM EVENTS BEFORE CLOSING, WILL BE THE SOLE RESPONSIBILITY OF BUYER, REGARDLESS OF WHETHER THE ENVIRONMENTAL PROBLEMS WERE KNOWN OR UNKNOWN AT CLOSING. ONCE CLOSING HAS OCCURRED, BUYER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM LIABILITY FOR ANY LATENT DEFECTS AND FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY, INCLUDING LIABILITY UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT (CERCLA), THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA), THE TEXAS SOLID WASTE DISPOSAL ACT, OR THE TEXAS WATER CODE. BUYER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES SELLER FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF THEORIES OF PRODUCTS LIABILITY AND STRICT LIABILITY, OR UNDER NEW LAWS OR CHANGES TO EXISTING LAWS ENACTED AFTER THE EFFECTIVE DATE THAT WOULD OTHERWISE IMPOSE ON SELLERS IN THIS TYPE OF TRANSACTION NEW LIABILITIES FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY.

AT LEAST SIXTY (60) DAYS PRIOR TO CLOSING, SELLER SHALL PROVIDE TO BUYER ANY AND ALL DOCUMENTATION, INFORMATION, OR KNOWLEDGE IT MAY HAVE WITH RESPECT TO ANY PAST CONDITIONS OF THE PROPERTY, INCLUDING ANY CONDITIONS RELATING TO ENVIRONMENTAL CONTAMINATION ON, UNDER, OR FROM THE PROPERTY AS WELL AS ANY VIOLATIONS OF LAW THAT MAY HAVE AFFECTED THE PROPERTY. BUYER, IN ITS SOLE DISCRETION, MAY WAIVE ANY TIMING REQUIREMENTS SET FORTH IN THIS SECTION.