

**EARNEST MONEY CONTRACT – IMPROVED PROPERTY**

1. **PARTIES:** FIRST NATIONAL BANK (Seller) agrees to sell and convey to COUNTY OF HIDALGO (Buyer) and Buyer agrees to buy from Seller the Property described below.

2. **PROPERTY:**

A. The property sold by this contract is called the “Property.” The Property is that real property situated in Hidalgo County, Texas, that is described on Exhibit “A” which is attached hereto and made a part hereof for all purposes.

B. The Property is sold together with:

- (1) all buildings, improvements, and fixtures;
- (2) all rights, privileges, and appurtenances pertaining to the Property, including Seller’s right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (3) Seller’s interest in all leases, rents, and security deposits for all or part of the Property;
- (4) Seller’s interest in all licenses and permits related to the Property;
- (5) Seller’s interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
- (6) Seller’s interest in any trade names, if transferable, used in connection with the Property; and
- (7) The following personal property: None.

(Describe any exceptions, reservations, or restrictions in Paragraph 11 or an addendum.)  
(If the Property is a condominium, attach condominium addendum.)

3. **SALES PRICE:** At or before closing, Buyer will pay the following sales price for the Property:

A.	Cash portion payable by Buyer at closing.....	\$ <u>287,500.00</u>
B.	Sum of all financing described in Paragraph 4.....	\$ <u>    0.00</u>
C.	Sales price (sum of A and B).....	\$ 287,500.00

4. **FINANCING:** Buyer will finance the portion of the sales price under Paragraph 3B as follows:

- A. Third Party Financing: A third party note(s) in the total amount of \$\_\_\_\_\_. This contract:
  - (1) is not contingent upon Buyer obtaining third party financing.
  - (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Financing Addendum.

- B. Assumption: In accordance with the attached Financing Addendum, Buyer will assume the unpaid principal balance of the first lien promissory note, which balance at closing will be \$\_\_\_\_\_.
- C. Seller Financing: The delivery of a promissory note and deed of trust from Buyer to Seller under the terms of the attached Financing Addendum in the amount of \$\_\_\_\_\_.

5. **EARNEST MONEY:** Not later than 3 days after the effective date, Buyer must deposit \$1,000.00 as earnest money with Sierra Title Company of Hidalgo County (escrow agent) at 3401 North 10<sup>th</sup> Street, McAllen, Texas 75801 (escrow agent's address). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract by providing written notice to Buyer before Buyer deposits the earnest money. Buyer may instruct the escrow agent to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. **TITLE POLICY, SURVEY, AND UCC SEARCH:**

A. Title Policy:

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by Sierra Title Company of Hidalgo County (the title company) in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
  - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
  - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to area boundaries: *(Check (a) or (b) only.)*
  - (a) will not be deleted from the title policy.
  - (b) will be deleted from the title policy at the expense of  Buyer  Seller.
- (3) Buyer may object to any restrictive covenants on the Property within the time required under Paragraph 6D.
- (4) Within ten (10) days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey:

- (1) Within fifteen (15) days after the effective date: *(Check all that apply.)*

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- (a) Buyer will obtain a survey of the Property at Buyer's expense.
- (b) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date.
- (c) Seller will deliver a true and correct copy of Seller's existing survey of the Property dated \_\_\_\_\_. Seller, at Seller's expense:
  - (i) will have the existing survey recertified to include corners on a date not earlier than February 1, 2010.
  - (ii) will not have the existing survey recertified.
- (2) The survey required under Paragraph 6B(1) must be made by a Registered Professional Land Surveyor acceptable to the title company. The survey must:
  - (a) identify the Property by metes and bounds or platted lot description;
  - (b) show that the survey was made and staked on the ground with corners permanently marked;
  - (c) set forth the dimensions and total area of the Property;
  - (d) show the location of all improvements, highways, streets, roads, railroads, rivers, creeks or other waterways, fences, easements, and rights-of-way on the Property with all easements and rights-of-way referenced to their recording information;
  - (e) show any discrepancies or conflicts in boundaries, any visible encroachments, and any portion of the Property lying within the 100-year flood plain as shown on the current Federal Emergency Management Agency map; and
  - (f) contain the surveyor's certificate that the survey is true and correct.

C. UCC Search:

- (1) Within \_\_\_\_\_ days after the effective date, Seller, at Seller's expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show, as debtor, Seller and all other owners of the personal property in the last 5 years.
- (2) Buyer does not require Seller to furnish a UCC search.

D. Buyer's Objections to the Commitment, Survey, and UCC Search:

- (1) Within ten (10) days after Buyer receives all of the items required in Paragraphs 6A, 6B, and 6C (the commitment, copies of the documents evidencing title exceptions, survey, and UCC search), Buyer may object to matters disclosed in the items if:
  - (a) the matters disclosed constitute a defect or encumbrance to title to the real or personal property described in Paragraph 2 other than those permitted by this

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contract or liens that Seller will satisfy at closing or Buyer will assume at closing;  
or

(b) the items show that any part of the Property lies in a 100-year flood plain.

(2) Seller may, but is not obligated to, cure Buyer's timely objections within 20 days after Seller receives the objections. The closing date will be extended as necessary to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less the independent consideration paid for Buyer's right to terminate under Paragraph 7B(3), will be refunded to Buyer.

(3) Buyer's failure to timely object or terminate under this Paragraph 6D is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

**7. PROPERTY CONDITION:** *(Check A or B only.)*

A. Present Condition: *(Check (1) or (2) only.)*

(1) Buyer accepts the Property in its present "as-is" condition.

(2) Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: \_\_\_\_\_  
\_\_\_\_\_

B. Feasibility Period and Right to Terminate:

(1) Delivery of Property Information: Within N/A days after the effective date, Seller will deliver to Buyer the following items to the extent that the items are in Seller's possession or are readily available to Seller. Any item not delivered is deemed not to be in Seller's possession or readily available to Seller. The items Seller will deliver are:

(a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;

(b) copies of all current leases pertaining to the Property, including any modifications, supplements, or amendments to the leases;

(c) a current inventory of all tangible personal property owned by Seller that is located on, attached to, and used in connection with the Property's operations;

(d) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;

(e) copies of all current service, maintenance, and management agreements relating to the ownership and operation of the Property;

(f) copies of all current warranties and guaranties relating to all or part of the Property;

(g) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;

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- (h) copies of all leasing or commissions agreements that currently relate to all or part of the Property;
- (i) a copy of the “as-built” plans and specifications of the Property;
- (j) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;
- (k) a copy of Seller’s income and expense statement for the Property from \_\_\_\_\_ to \_\_\_\_\_;
- (l) copies of all previous environmental assessments, studies, or analyses made on or relating to the Property;
- (m) real and personal property tax statements for the Property for the previous 2 calendar years; and
- (n) \_\_\_\_\_.

(2) Inspections, Studies, or Assessments:

- (a) Within N/A days after the effective date, Buyer, at Buyer’s expense, may complete or cause to be completed inspections, studies, or assessments of the Property, including all improvements and fixtures. Inspections, studies, or assessments may include, but are not limited to:
  - (i) physical property inspections (for example, structural pest control, mechanical, structural, electrical, and plumbing inspections);
  - (ii) economic feasibility studies;
  - (iii) environmental assessments (for example, soil tests, air sampling, and paint sampling);
  - (iv) engineering studies; and
  - (v) compliance inspections (for example, compliance determination with zoning ordinances, restrictions, building codes, and statutes).
- (b) Seller, at Seller’s expense, will turn on all utilities necessary for Buyer to make inspections, studies, or assessments.
- (c) In connection with Buyer’s inspections, studies, and assessments, Buyer must:
  - (i) employ only trained and qualified inspectors and assessors;
  - (ii) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
  - (iii) abide by any reasonable entry rules or requirements that Seller may require;
  - (iv) not interfere with existing operations or occupants of the Property; and
  - (v) restore the Property to its original condition of altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.
- (d) Except for those matters that arise from the negligence of Seller or Seller’s agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer’s inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend

Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph.

- (3) Right to Terminate: Buyer may terminate this contract for any reason within N/A days after the effective date by providing Seller with written notice of termination. If Buyer terminates under this paragraph, the earnest money will be refunded to Buyer less \$ \_\_\_\_\_ that Seller will retain as independent consideration for Buyer's right to terminate under this paragraph. The independent consideration is to be credited to the sales price only upon the closing of the sale. Buyer has tendered the independent consideration to Seller upon payment of the full amount specified in Paragraph 5 to the escrow agent. If Buyer does not terminate within the time required, Buyer accepts the Property in its present condition.
- (4) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: (a) return to Seller all those items described in Paragraph 7B(1) that Seller delivered to Buyer and all copies that Buyer made of those items; and (b) deliver copies of all inspection and assessment reports (excluding economic feasibility studies) related to the Property that Buyer completed or caused to be completed. This Paragraph 7B(4) survives termination.
- (5) Contracts Affecting Operations: After Buyer's right to terminate under Paragraph 7B(3) expires, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's prior written approval.

**8. BROKERS:**

- A. Seller agrees to indemnify and hold harmless Buyer from any and all costs, expenses or damages resulting from any claims for brokerage fees or other similar form of compensation made by any real estate broker or other person or entity because of the sale of the Property.

**9. CLOSING:**

- A. The closing of the sale will be on or before thirty (30) days from the Effective Date or within 7 days after objections to title have been cured, whichever date is later (the closing date). If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.
- B. At closing, Seller will deliver, at Seller's expense, a  general  special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property at closing:
- (1) with no liens, assessments, or Uniform Commercial Code or other security interests against the Property which will not be satisfied out of the sales price unless securing loans Buyer assumes;

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- (2) without any assumed loans in default; and
  - (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.
- C. At closing, Seller, at Seller's expense, will also deliver:
- (1) tax statements showing no delinquent taxes on the Property;
  - (2) a bill of sale with warranties to title conveying title, free and clear of all liens, to any personal property defined as part of the Property in Paragraph 2 or sold under this contract;
  - (3) an assignment of all leases to or on the Property;
  - (4) to the extent that the following items are assignable, an assignment to Buyer of the following items as they relate to the Property or its operations;
    - (a) licenses and permits;
    - (b) maintenance, management, and other contracts; and
    - (c) warranties and guaranties;
  - (5) a rent roll current on the day of the closing certified by Seller as true and correct;
  - (6) evidence that the person executing this contract is legally capable and authorized to bind Seller; and
  - (7) any notices, statements, certificates, or other documents required by this contract or law necessary to convey the Property, all of which must be completed and executed by Seller as necessary.
- D. At closing, Buyer will:
- (1) pay the sales price in good funds acceptable to the escrow agent;
  - (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
  - (3) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.
- E. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.
10. **POSSESSION:** Seller will deliver possession of the Property to Buyer at Closing in its present or required repaired condition, ordinary wear and tear excepted. Until closing, Seller will operate the Property in the same manner as on the effective date and will not transfer or dispose of any of the personal property described in Paragraph 2B or sold under this contract. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.
11. **SPECIAL PROVISIONS:** *(Identify exhibit if special provisions are contained in an attachment.)*

**12. SALES EXPENSES:**

- A. Seller's Expenses: Seller will pay for the following in cash at or before closing:
- (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
  - (2) release of Seller's loan liability, if applicable;
  - (3) tax statements or certificates;
  - (4) preparation of the deed and any bill of sale;
  - (5) one-half of any escrow fee;
  - (6) costs to record any documents to cure title objections that Seller must cure; and
  - (7) other expenses that Seller will pay under other provisions of this contract.
- B. Buyer's Expenses: Buyer will pay for the following in cash at or before closing:
- (1) all loan fees or expenses (for example, application fees, origination fees, discount fees, appraisal fees, assumption fees, recording fees, tax service fees, mortgagee title policy expenses, credit report fees, document preparation fees, interest expense that Buyer's lender requires Buyer to pay at closing, and other fees required by Buyer's lender);
  - (2) preparation fees of any deed of trust;
  - (3) recording fees for the deed and any deed of trust;
  - (4) premiums for flood and hazard insurance as may be required by Buyer's lender;
  - (5) one-half of any escrow fee;
  - (6) copy and delivery fees for delivery of the title commitment and related documents; and
  - (7) other expenses that Buyer will pay under other provisions of this contract.

**13. PRORATIONS, ROLLBACK TAXES, ESTOPPEL CERTIFICATES, RENT, AND DEPOSITS:**

- A. Prorations:
- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
  - (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 13A(2) survives closing.
  - (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.
- B. Rollback Taxes: If Seller changes the use of the Property before closing or if a denial of a special valuation on the Property claimed by Seller results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of Seller. If this sale or Buyer's use of the Property after closing results

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in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 13B survives closing.

C. Estoppel Certificates:

- (1) Within N/A days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than \_\_\_\_\_ by each tenant that leases space in the Property.
- (2) The estoppel certificates must state:
  - (a) that no default exists under the lease by the landlord or tenant as of the date the estoppel certificate is signed;
  - (b) the amount of the scheduled rents to be paid through the end of the lease and any rental payments that have been paid in advance;
  - (c) the amount of any security deposit;
  - (d) the amount of any offsets tenant is entitled against rent;
  - (e) the expiration date of the lease;
  - (f) a description of any renewal options; and
  - (g) \_\_\_\_\_.

D. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 13D survives closing.

**14. CASUALTY LOSS AND CONDEMNATION:**

- A. If any part of the Property is damaged or destroyed by fire or other casualty after the effective date, Seller must restore the Property to its previous condition as soon as reasonably possible and not later than the closing date. If, without fault, Seller is unable to do so, Buyer may:
- (1) terminate this contract and the earnest money, less the independent consideration paid for Buyer's right to terminate under Paragraph 7B(3), will be refunded to Buyer;
  - (2) extend the time for performance up to 15 days and the closing date will be extended as necessary; or
  - (3) accept the Property in its damaged condition and accept an assignment of any insurance proceeds Seller is entitled to receive.
- B. If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:
- (1) terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less the independent consideration paid for Buyer's right to terminate under Paragraph 7B(3), will be refunded to Buyer; or
  - (2) appear and defend the condemnation proceedings and any award will, at Buyer's election, belong to:

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- (a) Seller and the sales price will be reduced by the same amount; or
- (b) Buyer and the sales price will not be reduced.

**15. DEFAULT:**

- A. If Buyer fails to comply with this contract, Buyer is in default and Seller may;
  - (1) enforce specific performance, or seek other relief as may be provided by law, or both;  
or
  - (2) terminate this contract and receive the earnest money as liquidated damages, thereby releasing the parties from this contract.
  
- B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates or the commitment, Buyer may:
  - (1) terminate this contract and receive the earnest money, less the independent consideration paid for Buyer's right to terminate under Paragraph 7B(3), as the sole remedy; or
  - (2) extend the time for performance up to 15 days and the closing will be extended as necessary.
  
- C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:
  - (1) enforce specific performance, or seek such other relief as may be provided by law, or both; or
  - (2) terminate this contract and receive the earnest money, less the independent consideration paid for Buyer's right to terminate under Paragraph 7B(3), as liquidated damages, thereby releasing the parties from this contract.

- 16. ATTORNEY'S FEES:** If Buyer, Seller, any broker, or any escrow agent is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 16 survives closing.

**17. ESCROW:**

- A. At closing, the earnest money must be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer.
  
- B. If both parties make written demand for the earnest money, escrow agent may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of escrow agent from all parties.
  
- C. If one party makes written demand for the earnest money, escrow agent will give notice of the demand by providing to the other party a copy of the demand. If escrow agent does not receive written objection to the demand from the other party within 30 days after the date escrow agent sent the demand to the other party, escrow agent may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses

incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors.

- D. Escrow agent will deduct the independent consideration paid for Buyer's right to terminate under Paragraph 7B(3) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- E. If escrow agent complies with this Paragraph 17, each party hereby releases escrow agent from all claims related to the disbursement of the earnest money.
- F. Notices under this Paragraph 17 must be sent by certified mail, return receipt requested. Notices to escrow agent are effective upon receipt by escrow agent.

**18. MATERIAL FACTS:**

- A. To the best of Seller's knowledge and belief: *(Check (1) or (2) only)*
  - (1) Seller is not aware of any material defects to the Property except as stated in the attached Property Condition Statement.
  - (2) Seller is not aware of any of the following, except as described otherwise in this contract:
    - (a) any material physical defects to the Property;
    - (b) any pending or threatened litigation, condemnation, or assessment affecting the Property;
    - (c) any environmental hazards or conditions that affect the Property;
    - (d) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
    - (e) whether radon, asbestos insulation or fireproofing, urea-formaldehyde foam insulation, lead-based paint or other pollutants or contaminants of any nature now exist or have ever existed on the Property;
    - (f) whether wetlands, as defined by federal or state law or regulation, are on the Property; and
    - (g) whether threatened or endangered species or their habitat are on the Property.

*(Describe any exceptions to (a)-(g) in Paragraph 11 or an addendum.)*

- B. Each written lease Seller is to furnish to Buyer under this contract must be in full force and effect according to its terms without amendment or modification that is not disclosed to Buyer in writing. Seller must disclose, in writing, to Buyer if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:
  - (1) any modifications, amendments, or default by landlord or tenant under the leases;
  - (2) any failure by Seller to comply with Seller's obligations under the leases;
  - (3) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
  - (4) any non-occupancy of the leased premises by a tenant;

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- (5) any advance sums paid by a tenant under any lease;
- (6) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (7) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

**19. NOTICES:** All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to:

Buyer at: County Judge, Hidalgo County, Texas P. O. Box 758 Edinburg, Texas 78540 Phone: _____ Fax _____	Seller at: Gloria Rios, First National Bank P. O. Box 810 Edinburg, Texas 78540 Phone _____ Fax _____
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**20. FEDERAL TAX REQUIREMENT:** If Seller is a “foreign person” as defined by applicable law, or if Seller fails to deliver at closing an affidavit that Seller is not a foreign person, then Buyer will withhold from the sales proceeds at closing an amount sufficient to comply with applicable tax law and deliver the amount withheld to the Internal Revenue Service (IRS), together with appropriate tax forms. IRS regulations require filing written reports if cash in excess of specified amounts is received in the transaction.

**21. DISPUTE RESOLUTION:** The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator.

**22. AGREEMENT OF THE PARTIES:**

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns.
- B. This contract is to be construed in accordance with the laws of the State of Texas.
- C. This contract contains the entire agreement of the parties and may not be changed except by written agreement.
- D. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- E. Buyer  may  may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all of Buyer’s obligations under this contract.

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F. Addenda which are part of this contract are: *(Check all that apply.)*

- (1) Property Description Exhibit identified in Paragraph 2;
- (2) Condominium Addendum;
- (3) Financing Addendum;
- (4) Commercial Property Condition Statement;
- (5) Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards;
- (6) Notice to Purchaser of Real Property in a Water District;
- (7) Addendum for Coastal Area Property;
- (8) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway; and
- (9) \_\_\_\_\_.

**23. TIME:** Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

**24. EFFECTIVE DATE:** The effective date of this contract for the purpose of performance of all obligations is the date the escrow agent receipts this contract after all parties execute this contract.

**25. ADDITIONAL NOTICES:**

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included as part of this contract.
- D. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract.
- E. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.

Initialed for Identification by Buyer \_\_\_\_\_ and Seller \_\_\_\_\_

- F. If any apartments or other residential units are part of the Property and those units were built before 1978, federal law requires a lead-based paint and hazard disclosure statement to be made part of this contract.
- G. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws, Buyer should seek experts to perform such services. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers.

**26. CONTRACT AS OFFER:** The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts by 5:00 p.m., in the time zone in which the Property is located, on February 5, 2010, the offer will lapse and become null and void.

**This is a legally binding contract. READ IT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.**

Buyer's  
Attorney: \_\_\_\_\_  
\_\_\_\_\_

Seller's  
Attorney: Stephen L. Crain  
Atlas & Hall, L.L.P.

BUYER:

SELLER:

COUNTY OF HIDALGO

FIRST NATIONAL BANK

By: \_\_\_\_\_  
Rene Ramirez  
Hidalgo County Judge

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Arturo Guajardo, Hidalgo County Clerk

**AGREEMENT BETWEEN BROKERS**

Listing Broker agrees to pay \_\_\_\_\_ (Other Broker) a fee of \$ \_\_\_\_\_ or \_\_\_\_\_% of the sales price when the Listing Broker's fee is received. Escrow agent is authorized and directed to pay Other Broker from Listing Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

\_\_\_\_\_  
Other Broker License No.

\_\_\_\_\_  
Listing Broker License No.

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Other Broker's Address

\_\_\_\_\_  
Listing Broker's Address

\_\_\_\_\_  
Phone Fax

\_\_\_\_\_  
Phone Fax

**ESCROW RECEIPT**

Escrow agent acknowledges receipt of:

- A. the contract on this day \_\_\_\_\_ (effective date):
- B. earnest money in the amount of \$ \_\_\_\_\_ in the form of \_\_\_\_\_ on this day \_\_\_\_\_.

\_\_\_\_\_  
Escrow Agent

Address: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Phone Fax

EXHIBIT "A"

**TRACT I:**

A 1.00 acre tract of land out of Lot 80, Block 2, LA HOMA RANCH CITRUS GROVES SUBDIVISION UNIT NO. 2, Hidalgo County Texas, more particularly described by metes and bounds as follows:

COMMENCING, at the Southeast corner of Lot 80;

THENCE, North 81 degrees 10 minutes West, 339.0 feet, along the South line of Lot 80, to the Southeast corner and the POINT OF BEGINNING of this tract;

THENCE, North 8 degrees 50 feet East, 385.5 feet, to the Northeast corner of this tract;

THENCE, North 81 degrees 10 minutes West, 113.0 feet, to the Northwest corner of this tract;

THENCE, South 8 degrees 50 minutes West, 385.5 feet to the Southwest corner of this tract and the South line of said lot 80;

THENCE, South 81 degrees 10 minutes East, 113.0 feet, along the South line of Lot 80, to the POINT OF BEGINNING and containing 1.00 acre of land, more or less.

**TRACT II:**

A 1.00 acre tract of land out of Lot 80, Block 2, LA HOMA RANCH CITRUS GROVES SUBDIVISION UNIT NO. 2, Hidalgo County Texas, according to map thereof recorded in Volume 8, Page 9, Map Records of Hidalgo County, Texas; said tract of land being more particularly described by metes and bounds as follows:

COMMENCING at the Southeast corner of Lot 80;

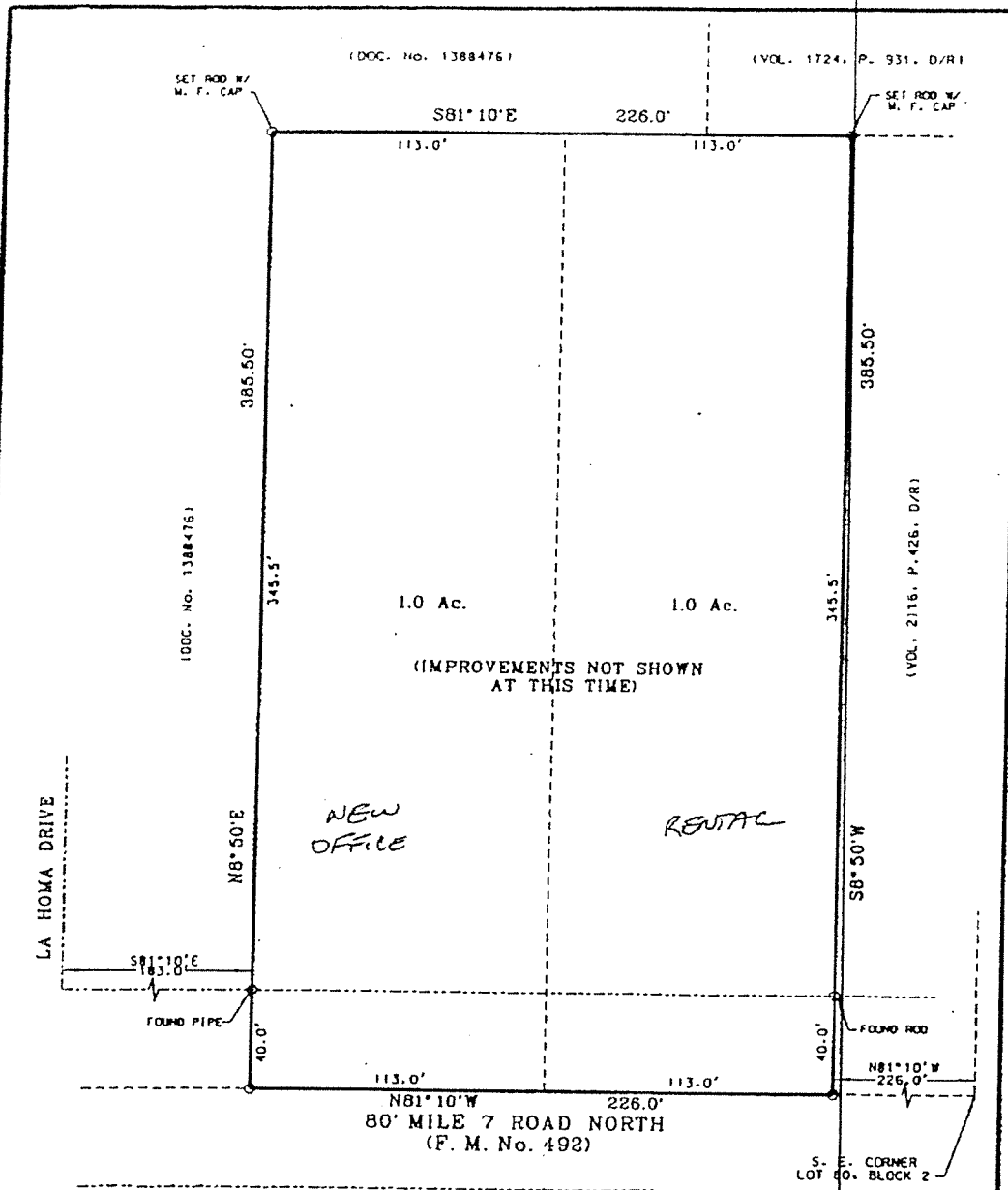
THENCE, North 81 degrees, 10 minutes West, 226.0 feet, along the South line of Lot 80, to the Southeast corner and the POINT OF BEGINNING of this tract;

THENCE, North 8 degrees, 50 minutes East, 385.5 feet to the Northeast corner of this tract;

THENCE, North 81 degrees, 10 minutes West, 113.0 feet to the Northwest corner of this tract;

THENCE, South 8 degrees, 50 minutes West, 385.5 feet to the Southwest corner of this tract;

THENCE, South 81 degrees, 10 minutes East, 113.0 feet along the South line of Lot 80, to the POINT OF BEGINNING.



PLAT BASED ON SURVEY  
DONE 1-25-2006

MAP  
SHOWING  
TWO 1.0 AC. TRACTS OF LAND  
OUT OF LOT 80, BLOCK 2,  
LA HOMA RANCH CITRUS GROVES,  
UNIT No. 2,  
HIDALGO COUNTY, TEXAS  
RECORDED IN VOL. 8, P. 9, M/R

I, MICHAEL FABIAN, A REGISTERED  
PROFESSIONAL LAND SURVEYOR, DO HEREBY  
CERTIFY THE FOREGOING MAP TO BE A  
REPRESENTATION OF SURVEY MADE ON THE  
GROUND UNDER MY SUPERVISION AND THAT  
THIS PROPERTY FALLS IN ZONE OF  
THE FLOOD INSURANCE RATE MAP.

*Michael Fabian*  
MICHAEL FABIAN  
REGISTERED PROFESSIONAL LAND SURVEYOR  
MCALLEN, TEXAS



COPYRIGHT MICHAEL FABIAN SURVEYING, INC. 2006. INVALID WITHOUT  
AN ORIGINAL SIGNATURE AND EMBOSSED SEAL FOR SECTION 244.08 &  
081.09 OF THE PROFESSIONAL LAND SURVEYING PRACTICE ACT  
ENACTED UNDER ARTICLE 6202C, VERNON'S TEXAS CIVIL STATUTES.

<b>MICHAEL FABIAN SURVEYING, INC.</b>	
TEL. 320 N. 15 <sup>TH</sup> ST. MCALLEN, TEXAS 78501	FAX 956-927-4080
MICHAEL FABIAN REGISTERED PROFESSIONAL LAND SURVEYOR	
W. O. # 1073	PQ
SCALE 1" = 50'	DATE 4-3-2006