

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made between EDINBURG CONSOLIDATED INDPENEDENT SCHOOL DISTRICT, a governmental entity ("Seller"), and HIDALGO COUNTY, a governmental entity ("Purchaser").

In consideration of the mutual covenants and representations herein contained, Seller and Purchaser agree as follows:

1.

PURCHASE AND SALE

1.1 Purchase and Sale. Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller, the following described property (herein collectively called the "Property") commonly known as A 4.00 Acre tract of land out of Lot 1 E.C.I.S.D. Middle School No. 6 Subdivision, Doc# 2036682 H.C.M.R. Located in Hidalgo County, Texas:

(a) Land. That certain tract of land (the "Land") in Hidalgo County, Texas being more particularly described on Exhibit A attached hereto and incorporated herein by reference;

(b) Improvements. All improvements located in or on the Land (the "Improvements" and together with the "Land", the "Real Property");

(c) Miscellaneous Items. To the extent they are transferable and in Seller's possession, all of Seller's right, title and interest in all plans and specifications, engineering plans and studies, floor plans and landscape plans;

(d) Easements. All easements, if any, benefiting the Land or the Improvements;

(e) Rights and Appurtenances. All rights and appurtenances pertaining to the foregoing, including any right, title and interest of Seller in and to adjacent streets, alleys or rights-of-way; and

(f) Keys. All existing keys to locks on the Property.

2.

PURCHASE PRICE

Purchase Price. The purchase price (the "Purchase Price") for the Property shall be TWENTY THOUSAND DOLLARS AND NO/100 DOLLARS (\$20,000.00) in cash and shall be paid by Purchaser to Seller at the Closing (as defined in Section 6.1).

3.

EARNEST MONEY

3.1 Earnest Money. Purchaser shall deliver to the Title Company (as defined in Section 6.1) within ten (10) business days after the date of this Agreement, the sum of ONE THOUSAND DOLLARS AND NO/100 DOLLARS (\$1,000.00) in cash (the "Earnest Money") to be invested by the Title Company in an interest-bearing account as Purchaser and Seller shall direct. Seller shall have the option of terminating this Agreement if the Earnest Money is not delivered to the Title Company within such time. If the sale of the Property is consummated pursuant to the terms of this Agreement, the Earnest Money and all interest accrued thereon shall be paid to Seller and applied to the payment of the Purchase Price. If Purchaser terminates this Agreement in accordance with any right to terminate granted by this Agreement, the Earnest Money and all interest accrued thereon (less the Independent Consideration as defined in Section 3.2) shall be promptly returned to Purchaser, and no party hereto shall have any further obligations under this Agreement. Except as otherwise provided herein, in the event the sale of the Property is not consummated after Purchaser has approved the matters set forth in Section 4.1 and 4.2 of this Agreement, all Earnest Money deposited hereunder and all interest accrued thereon shall be delivered by the Title Company to Seller, and no party shall have any further obligations under this Agreement.

3.2 Independent Consideration. The sum of ONE HUNDRED AND NO/100 DOLLARS (\$100.00) shall be retained from the Earnest Money by Seller as consideration for Purchaser's right to inspect the Properties and for Seller's execution, delivery, and performance of this Agreement, the sufficiency of which is acknowledged by Seller (the "Independent Consideration"). The Independent Consideration is in addition to and independent of any consideration or payment provided in this Agreement, is nonrefundable, and shall be retained by Seller notwithstanding any other provision of this Agreement.

4.

CONDITIONS TO CLOSING

4.1 Seller's Obligations. Seller shall deliver to Purchaser (at Seller's expense), within five (5) days after the date hereof, the following:

(a) Title Commitment. A preliminary title report and commitment for an Owner's Title Policy (as defined in Section 6.2(b)) issued by the Title Company ("Commitment for Title Insurance") and legible copies of any restrictive covenants, easements and other items listed as title exceptions therein;

(b) Survey. A ground survey of the Property showing all improvements located thereon, if any, in the possession of Seller ("Existing Survey"). Purchaser will be responsible, at its cost, for any new surveys or updates or modifications to the Existing Survey;

(c) Warranties. Copies of all warranties regarding the Property as of the date of this Agreement, if any, in the possession of Seller;

(d) Plans and Specifications. Copies of the plans and specifications for the Property, if any, in the possession of Seller; and

(e) Certificates of Occupancy, Permits and Licenses. Copies of all permits or licenses issued by any governmental authorities or utility companies in connection with the occupancy and use of the Improvements (including certificates of occupancy), if any, in the possession of Seller.

The documents delivered by Seller pursuant to Sections 4.1(b) through (e) are collectively referred to as the "Seller Deliveries." Seller makes no representation or warranty of any kind or character in respect to the accuracy or completeness of the Seller Deliveries or of the opinions or conclusions reflected

therein, if any, and Purchaser agrees that should Purchaser elect to rely upon or use the same in any manner or fashion, Purchaser does so at Purchaser's sole cost, risk and expense.

Purchaser shall have fifteen (15) days after the date of this Agreement within which to approve or disapprove all such items, including the information reflected therein, such approvals or disapprovals to be within Purchaser's sole discretion (the "Review Period"). If Purchaser fails to disapprove any such item by written notice to Seller within such Review Period, Purchaser shall be deemed to have approved such item. If Purchaser disapproves any such item by written notice to Seller during such period, Purchaser may terminate this Agreement in its sole and absolute discretion. The title exceptions listed in Schedule B of the last Commitment for Title Insurance delivered to Purchaser before the end of the Review Period, all items shown on the survey(s) specified in paragraph (b) of this Section 4.1, matters created by, through or under Seller, real estate taxes not yet due and payable, and all leases affecting the Property are collectively hereinafter called the "Permitted Exceptions."

4.2 Inspection. Purchaser may inspect the Property at any reasonable time during business hours of the Review Period. If such inspection reveals any fact or condition unacceptable to Purchaser, Purchaser shall notify Seller of such unacceptable fact or condition and may terminate this Agreement, and neither party shall have any further rights, duties or obligations hereunder. In the event Purchaser does not give such notification to Seller within such Review Period, the said inspection of the Property shall be deemed satisfactory to Purchaser. Purchaser shall be liable for all damage or injury to person or property resulting from any such inspection occasioned by the acts of Purchaser, its employees, agents or representatives, and Purchaser shall indemnify and hold harmless Seller from any liability resulting therefrom. This indemnification by Purchaser shall survive the Closing or the termination of this Agreement, as applicable.

4.3 Termination. If this Agreement is terminated pursuant to Section 4.1 or 4.2 above, the Earnest Money, together with all accrued interest thereon, will be promptly refunded to Purchaser, and neither party shall have any further obligations under this Agreement.

5.

NO REPRESENTATIONS OR WARRANTIES BY SELLER

PURCHASER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER

EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY; (B) THE INCOME TO BE DERIVED FROM THE PROPERTY; (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER OR ANYONE ELSE MAY CONDUCT THEREON; (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY; (F) THE MANNER OR QUALITY OF THE CONSTRUCTION OF MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY; (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY; OR (H) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, HAZARDOUS MATERIALS, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDER OR EQUIPMENTS, INCLUDING SOLID WASTE, AS DEFINED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS AT 40 C.F.R., PART 261, OR THE DISPOSAL OR EXISTENCE, IN OR ON THE PROPERTY, OF ANY HAZARDOUS SUBSTANCE AS DEFINED BY THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED, AND REGULATIONS PROMULGATED THEREUNDER. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS-IS", "WHERE-IS" CONDITION AND BASIS WITH ALL FAULTS. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE HAS BEEN ADJUSTED BY PRIOR NEGOTIATION TO REFLECT THAT THE PROPERTY IS SOLD BY SELLER AND PURCHASED BY PURCHASER SUBJECT TO THE FOREGOING. THE PROVISIONS OF THIS ARTICLE 5 SHALL BE DEEMED TO SURVIVE THE CLOSING.

6.

CLOSING

6.1 Closing. The closing ("Closing") shall be held at the offices of Sierra Title Company (the "Title Company"), whose address is 3401 N. 10th St. McAllen, Texas 78501, Attn: Nelly Martinez, Telephone: 956-682-8321; email: nellym@sierratitle.com on the date which is fifteen (15) days from the expiration of the Review Period (the "Closing Date"), unless the parties mutually agree upon another place or date.

6.2 Seller's Obligations at Closing. At Closing, Seller shall deliver to Purchaser the following documents:

(a) Deed. Special Warranty Deed (the "Deed") executed by Seller conveying the Land to Purchaser, subject to no exceptions other than the Permitted Exceptions. The Deed shall be in recordable form and, upon Closing, shall be recorded in the Official Public Records of Hidalgo County, Texas;

(b) Title Policy. An irrevocable commitment from the Title Company to issue, promptly after the Closing and effective as of the Closing Date, an Owner's Policy of Title Insurance in Texas standard form (the "Owner's Title Policy"), covering the Real Property and naming Purchaser as insured, in the amount of the Purchase Price, insuring that Purchaser owns good and indefeasible fee simple title to the Property, subject only to the Permitted Exceptions; Purchaser, at Purchaser's sole expense, may elect to cause the Title Company to issue endorsements to or modification of the Owner's Title Policy (including without limitation to amend the survey exception to read, "any shortages in area"); and

(c) Warranties. The originals of all warranties regarding the Property, if any, in the possession of Seller.

6.3 Purchaser's Obligations at Closing. At Closing or seven (7) days after closing, Purchaser shall deliver to Seller the Purchase Price by cashier's check or wire transfer of immediately available funds.

6.4 Possession. Possession of the Property shall be delivered to Purchaser at Closing, subject to the Permitted Exceptions.

6.5 Closing Costs. Except as otherwise expressly provided herein, Seller shall pay, on the Closing Date, the basic title insurance premium for the Owner's Policy, one-half (1/2) of any escrow fees and other customary charges of the Title Company, and Purchaser shall pay, on the Closing Date, all recording costs, one-half (1/2) of any escrow fees, the cost of obtaining any title endorsements or modifications (including without limitation deleting the area and boundary exceptions), if desired, and other customary charges of the Title Company. Each party shall pay its own attorneys' fees.

7.
RISK OF LOSS

7.1 Condemnation. If, prior to Closing, action is initiated or threatened to take any of the Property by eminent domain proceedings or by deed in lieu thereof, Purchaser shall have ten (10) days from receipt of written notice of such event from Seller to advise Seller that it intends to (a) terminate this Agreement or (b) consummate the Closing, in which latter event the award of the condemning authority shall be assigned to Purchaser at the Closing. If Seller does not receive any such notice from Purchaser within such ten (10) day period, then Purchaser shall be deemed to have elected option (b).

8.
DEFAULT

8.1 Breach by Seller. If Seller breaches this Agreement, Purchaser may, at its option and as its sole remedies, either terminate this Agreement and thereupon shall be entitled to the immediate return of the Earnest Money, together with all accrued interest thereon (less the Independent Consideration), or seek specific performance of this Agreement as its sole and exclusive remedy and relief thereunder. In no event shall Seller be liable to Purchaser for any actual, punitive, speculative, consequential or other damages.

8.2 Breach by Purchaser. If Purchaser breaches this Agreement, Seller shall be entitled to the Earnest Money together with all interest accrued thereon, if any, as liquidated damages (and not as a penalty) and as Seller's sole remedy and relief hereunder. Seller and Purchaser have made this provision for liquidated damages because it would be difficult to calculate on the date hereof the amount of actual damages for such breach, and these sums represent reasonable compensation to Seller for such breach.

9.
FUTURE OPERATIONS

From the date of this Agreement until the Closing or earlier termination of this Agreement:

(a) Maintenance, Litigation. Except for condemnation and casualty which are provided for in Section 7, Seller (i) will keep and maintain the Property in its condition as of the date of this Agreement (reasonable wear and tear excepted), and (ii) will use its best effort promptly to advise Purchaser of any litigation, arbitration, or administrative hearing concerning the Property arising after the date of this Agreement.

(b) Contracts. Seller will not, without the prior written consent of Purchaser, modify, enter into, or renew any contract which cannot be cancelled upon thirty (30) days' prior written notice.

10.
CONFIDENTIALITY

10.1 Non-Disclosure. From and after the Effective Date of this Agreement or unless with the prior written consent of the other party, neither Purchaser nor Seller shall prior to the Closing (i) make or permit to be made any announcements or press releases concerning the existence of this Agreement, the terms of the purchase of the Property or any other information concerning this Agreement or the transaction contemplated herein or (ii) disclose or permit to be disclosed, directly or indirectly, to any person or entity any information in respect of the Property which is obtained pursuant to this Agreement or through any inspection of the Property or records concerning the Property.

10.2 Limited Disclosure to Advisors. Each party shall have the right to disclose information in respect of the Property to its attorneys, accountants, regulators, prospective lenders and their Counsel so long as they agree to be bound by the terms of this Section 10.

11.
MISCELLANEOUS

11.1 Notice. Whenever this Agreement requires or permits any delivery, consent, approval, notice, request, or demand from one party to the other (collectively "Notice"), such Notice must be in writing to be effective and shall be effective on the date of actual receipt of such Notice by the addressee or when the attempted initial delivery is refused or when it cannot be made because of a change of address of which the sending party has not been notified. The following shall, without limitation, be prima facie evidence of actual receipt of Notice by the addressee: (a) if mailed, by a United States certified mail return receipt, signed by the addressee or the addressee's agent; (b) if by telegram, by a telegram receipt signed by the addressee or the addressee's agent; or (c) if hand-delivered, by a delivery receipt, signed by the addressee or the addressee's agent. The parties' respective addresses for delivery of any Notice are set forth below unless another address within the state of Texas is designated in writing by any party to the other.

IF TO SELLER: Edinburg Consolidated Independent School District
411North Eight Avenue
Edinburg, Texas 78541
Attention: Robert S Gomez, MPA, CPM

IF TO PURCHASER: Valde Guerra
County Executive Officer
505 S. McColl Road., Suite J
Edinburg, Texas 78539

11.2 Entire Agreement. This Agreement embodies the entire agreement between the parties relative to the subject matter hereof, and there are no oral or written agreements between the parties nor any representations made by either party relative to the subject matter hereof which are not expressly set forth herein.

11.34 Amendment. This Agreement may be amended only by a written instrument executed by the party or parties to be bound thereby.

11.4 Headings. The captions and headings used in this Agreement are for convenience only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

11.5 Time of Essence. Time is of the essence of this Agreement. However, if the final date of any period which is not set out in any provision of this Agreement falls on a Saturday, Sunday or legal holiday under the law of the United States or the State of Texas, then in such event, the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday.

11.6 Governing Law. This Agreement shall be governed by the laws of the State of Texas and the applicable federal laws of the United States.

11.7 Successors and Assigns. This Agreement shall bind and inure to the benefit of Seller and Purchaser and their respective successors and assigns. Purchaser shall not assign Purchaser's rights under this Agreement without the prior written consent of Seller.

11.8 Invalid Provision. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provisions had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement.

11.9 Attorneys' Fees. In the event it becomes necessary for either party hereto to file suit to enforce this Agreement or any provision contained herein, the party prevailing in such suit shall be entitled to recover, in addition to all other remedies or damages as herein provided, reasonable attorneys' fees incurred in such suit.

11.10 Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively one (1) agreement.

11.11 Date of This Agreement. As used in this Agreement, the terms “Effective Date”, “date of this Agreement”, or “date hereof” shall mean and refer to the date of acknowledgment of receipt by the Title Company of a fully executed copy of this Agreement.

[Signatures Follow]

IN WITNESS WHEREOF, Seller and Purchaser have caused this Agreement to be signed by their duly authorized representatives as of the dates referenced next to their signatures.

SELLER:

DATE OF EXECUTION BY SELLER:

Edinburg Consolidated Independent School District,
a Governmental Entity

By: _____
Name: _____
Title: _____

PURCHASER:

DATE OF EXECUTION BY PURCHASER:

Hidalgo County,
a Governmental Entity

By: _____
Name: Valde Guerra
Title: Executive Officer

ACKNOWLEDGMENT OF RECEIPT BY TITLE COMPANY

The undersigned Title Company hereby acknowledges receipt of a fully executed original of this Agreement, agrees to hold and dispose of the Earnest Money in accordance with the provisions of this Agreement, and agrees to deliver copies of the fully executed Agreement, Commitment for Title Insurance, exception documents, and all other pertinent documents and communications to all parties listed in Section 11.1.

DATE OF RECEIPT BY TITLE COMPANY:

TITLE COMPANY:

Sierra Title Company

By: _____
Name: _____
Title: _____

EXHIBIT A TO PURCHASE AND SALE AGREEMENT

LAND