

REAL ESTATE CONTRACT

THIS REAL ESTATE CONTRACT (the Contract) is made by and between **LOS TESOROS INVESTMENTS I LTD.** (Seller) and **HIDALGO COUNTY** (Buyer), upon the terms and conditions set forth herein.

Article I Purchase and Sale of Property

1.1 Real Property. Seller hereby sells and agrees to convey, and Buyer hereby purchases and agrees to pay for the following described tract(s) of land located in Pharr, Hidalgo County, Texas, to-wit:

All of Lot 1, SUGAR BUSINESS CENTER AT 495 UT NO.1, an Addition to the City of Pharr, Hidalgo County, Texas, according to the map recorded in Volume 33, Page 76, Map Records in the Office of the County Clerk of Hidalgo County, Texas, reference to which is here made for all purposes;

All of Lot 2, SUGAR BUSINESS CENTER AT 495 UT NO.1, an Addition to the City of Pharr, Hidalgo County, Texas, according to the map recorded in Volume 33, Page 76, Map Records in the Office of the County Clerk of Hidalgo County, Texas, reference to which is here made for all purposes;

All of Lot 3, SUGAR BUSINESS CENTER AT 495 UT NO.1, an Addition to the City of Pharr, Hidalgo County, Texas, according to the map recorded in Volume 33, Page 76, Map Records in the Office of the County Clerk of Hidalgo County, Texas, reference to which is here made for all purposes;

together with all and singular the rights, privileges, and appurtenances pertaining to the property, including any right, title and interest of Seller in and to any minerals, utilities, adjacent roads, alleys, strips, gores, and rights-of-way related to the property; all buildings, improvements, and fixtures; all leases, rents, and security deposits for all or part of the Property; all third party warranties or guarantees, if transferable, relating to the Property or any fixtures; that is owned by Seller, for the consideration and upon and subject to the terms, provisions and conditions hereinafter set forth.

1.2 Personal Property. The sale includes any and all tangible personal property located on Property at such time as Seller vacates the Property and surrenders possession to Buyer.

The Real Property and Personal Property are collectively referred to herein as “the Property”.

Article II Purchase Price

2.1 Amount of Purchase Price. The Purchase Price for the Property to be paid by Buyer shall be the sum of **ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00).**

2.2 Payment of Purchase Price. The total Purchase Price shall be payable in cash or other good funds at closing.

Article III Conditions to Buyer's Obligations

3.1 Conditions to Buyer's Obligations. The obligations of Buyer to consummate the transactions contemplated hereby are subject to the satisfaction of each of the following conditions (any of which may be waived in whole or in part by Buyer at or prior to the closing).

3.2 (a) Preliminary Title Report. Within ten (10) days after the effective date hereof, Seller at Seller's sole cost and expense shall cause to be furnished to Buyer a current Owner's Title Policy Binder (the Title Commitment), which Title Commitment shall be issued by **Edwards Abstract and Title Co.,** 3111 W. Freddy Gonzalez Dr., Edinburg, Hidalgo County, Texas, setting forth the state of the title of the Property and all exceptions thereto including the easements, restrictions, rights-of-way, covenants, reservations and other conditions, if any, affecting the Property which would appear in an Owner's Title Policy, if issued, together with copies of the documents evidencing such matters.

(b) Title Report Objections. In the event any exceptions appear in such Title Commitment other than those especially permitted under the terms of this Contract which are unacceptable to Buyer, Buyer shall within ten (10) days after receiving such Title Commitment notify Seller in writing of such facts. If Buyer shall fail to notify Seller in accordance with this paragraph of such unacceptable exceptions, Buyer shall be deemed to have waived the right to object except that Buyer will not waive the requirements in Schedule C of the Title Commitment. Upon receipt of any such notice, Seller shall then promptly undertake to eliminate or modify such unacceptable exceptions to the reasonable satisfaction of Buyer. In the event Seller is unable to do so within thirty (30) days after receipt of such notice, Seller shall provide written notice thereof to Buyer. Within ten (10) days of receipt of such notice, Buyer may terminate this Contract by notice in writing delivered to Seller or Buyer may accept such title as Seller can deliver. In the event Buyer chooses to terminate this Contract in accordance with this Section, this Contract shall thereupon be null and void for all purposes and the Earnest Money shall be returned to Buyer.

3.3 (a) Survey. Within twenty (20) days after receipt of the Title Commitment, Buyer, at Buyer's cost and expense, may obtain and deliver to Seller and the Title Company a current on-the-ground topographic survey prepared by a registered public surveyor, reasonably acceptable to Seller and Buyer showing the Property. The survey and description shall be prepared in a form acceptable to the Title Company for the purpose of deleting the standard permitted exception for discrepancies or shortages in area or conflicts in boundaries in the Owner's Policy of Title Insurance. The survey shall include the plotting and permanent location of all easements, rights-of-way, encroachments, improvements, fences, building set-back lines and other matters located on the ground. The survey shall fix, locate, stake and permanently monument all exterior boundary lines and corners of the Property. The surveyor or engineer shall additionally calculate and indicate on the survey the gross acreage of land contained within the boundaries of the Property and the acreage within any easement, right-of-way or encroachment, such calculations to be carried to four (4) decimal places. The surveyor or engineer shall also calculate and indicate on the survey the gross acreage of land within the boundaries of the Property, if any, that lies within the 100-year flood plan (as defined in 44 Code of Federal Regulations, Section 59.1), of a flood hazard zone or fault zone (herein collectively referred to as "Hazard Zone"). Seller will reimburse \$2,500 of the cost of the survey at closing, if closing occurs.

(b) Survey Objections. If the survey shows any matters that are reasonably objectionable to Buyer, Buyer shall so notify Seller of such survey objections within ten (10) days from the date of the receipt of the survey. Seller hereby agrees to use reasonable diligence to correct such Survey Objections within thirty (30) days after receiving Buyer's notice in writing. If the reasonable objections are not cured to Buyer's satisfaction, Buyer, at Buyer's option, may elect (a) to cancel this Contract, in which

event the Earnest Money shall be returned to Buyer free and clear of all rights and claims by Seller with respect thereto, and neither Buyer nor Seller shall have any further rights or obligations under this Contract and this Contract shall terminate, or (b) to take title to the Property in its existing condition without reduction of the Purchase Price, and if Buyer does so elect, Seller shall deliver the title to the Property in such condition, subject to the Survey Objections. If Buyer fails to notify Seller of Survey Objections within the time period provided for in this Section, then Buyer shall be deemed to have waived any Survey Objections and the Property shall be purchased subject to the Survey Objections, without reduction of the Purchase Price.

(c) Survey Gaps. If the survey shows any boundary line of the Property as fronting on a street or roadway not to be identical with the right-of-way and such gap or vacancy is not owned by Seller, or if the survey shows any intervening easements, setbacks, or other area running parallel to such street or roadway, the terms of which easement do not freely permit Buyer to cross or pave the area covered by such easement, setback or other area, then the same shall constitute a Title Objection under this Contract. For purposes of this Section, the term "gap or vacancy" shall also include areas created by discrepancies or conflicts in boundaries, and actual or potential adverse or prescriptive rights of adjacent property owners. If such gap or vacancy is owned by Seller, such gap or vacancy will likewise be conveyed under the terms and conditions of this Contract at no additional cost to Buyer.

3.4 Inspection Period. Buyer will be afforded the opportunity until the expiration of thirty (30) days after final execution hereof by all parties to determine if the Property is suitable for Buyer's intended use. Upon reasonable notice to Seller, Buyer is granted permission to enter upon the Property to conduct such tests and inspections as Buyer determines necessary. Seller, at Seller's expense, will turn on all utilities necessary for Buyer to make inspections, studies, or assessments. In the event Buyer determines that the Property is not suitable for Buyer's intended use, then Buyer may terminate the Contract and receive its earnest money deposited hereunder less FIVE HUNDRED DOLLARS (\$500.00) which shall be paid to Seller as independent consideration for Buyer's right to terminate under this provision of the Contract, and the parties hereto shall not be further bound hereby. Buyer must deliver written notice of such fact to Seller within the time limit set forth herein or it shall be conclusively presumed to have accepted the condition of the Property as to its intended use. Buyer agrees, to the extent allowed by law, to indemnify and hold Seller, Seller's employees, tenants, agents and any other person acting on behalf of Seller, harmless for, from and against any and all risks, costs (including attorney's fees), liability and assertions of liability arising out of any action taken by Buyer or Buyer's agents in relation to any inspections, tests, audits, studies or work performed under the authority hereof. After conducting any test that physically affects the condition of the Property, Buyer will restore the Property as nearly as practical to its condition prior to such test. The foregoing indemnity shall survive the termination of this Contract and the closing of the purchase of the Property.

3.5 Full Compliance. Seller and Buyer shall have performed, observed and complied with all of the covenants, agreements and conditions required by this Contract to be performed, observed and complied with by them prior to or as of the closing.

Article IV Representations and Warranties

4.1 Seller's Warranties and Representations. Seller hereby warrants and represents to Buyer to the best of Seller's knowledge as follows:

- (a) There are no third parties in possession of any portion of the surface of the Property.

(b) There is no pending litigation or administrative or political proceeding which could adversely affect title or right of possession to the Property, or any part thereof, or which seeks to condemn any part of the Property, and no such litigation or proceeding is threatened.

(c) There are no judicial, quasi-judicial, administrative or other proceedings pending which might affect the validity of the present zoning of the Property Seller agrees not to take any action to alter, amend or modify such current zoning status prior to closing.

(d) The Property has true and free access to and from public streets or roads.

(e) There are no unrecorded liens burdening the Property or any Uniform Commercial Code Liens against the property which will not be released at Closing.

(f) The Property is not located in a Texas Agricultural Development District.

(g) Buyer acknowledges receipt of the foregoing notice prior to the execution of this Contract: Seller does not know or have any knowledge pertaining to underground storage tank(s) which are included in this conveyance and presumed to be regulated by the Texas Commission on Environmental Quality and may be subject to certain registration, compliance self-certification, construction notification, and other requirements found in Title 30 Texas Administrative Code, Chapter 334.

(h) Buyer acknowledges receipt of the foregoing notice prior to the execution of this Contract: The Property sold under this Contract is not subject to deed restrictions for which any municipality is authorized to enforce.

(i) Buyer acknowledges receipt of the foregoing notice prior to the execution of this Contract: The Property being sold under this Contract may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If the Property is located in a certificated area there may be special costs or charges that Buyer will be required to pay before Buyer can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to the Property. Buyer is advised to determine if the Property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to the Property.

(j) Buyer acknowledges receipt of the foregoing notice prior to the execution of this Contract: If the Property is in a public improvement district, Buyer is obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment.

(k) Buyer acknowledges receipt of the foregoing notice prior to the execution of this Contract: The Property is subject to mandatory membership in a property owners association. Seller notifies Buyer that restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this community have been or will be recorded in the Real Property Records of the county in which the Property is located. Buyer is obligated to pay assessments to the property owners association. The amount of the assessments is subject to change. Failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.

(l) Section 1958.154, Occupations Code requires Seller to provide Buyer a copy of any mold remediation certificate issued for the Property during the 5 years preceding the date the Seller sells the Property.

4.2 Buyer's Representations and Warranties. Buyer represents and warrants as follows:

(a) Buyer is a political subdivision of the State of Texas with the right of eminent domain.

(b) No officer, director or employee of Seller has been or will be compensated in any manner either directly or indirectly in respect to the negotiation and execution of this Contract.

4.3 Effective at Closing. If any representation is untrue on the Closing Date, this Contract may be terminated by the non-defaulting party with such remedies in the event of default as provided below.

4.4 AS-IS Clause. Except for Seller's express representations and warranties specifically set forth in this Contract and the warranty of title contained in the Deed, Buyer acknowledges and agrees that Buyer is purchasing and accepting the Property AS IS, WHERE IS, WITH ALL FAULTS, in its present condition as of Closing.

Buyer acknowledges that it has been afforded a full and adequate opportunity to inspect and investigate the Property and all matters relating thereto, including, without limitation, the physical condition of the Property, improvements, soils, drainage, utilities, access, environmental conditions, zoning, governmental requirements, development restrictions, and the suitability of the Property for Buyer's intended use.

Upon expiration of the Inspection Period without Buyer terminating this Contract, Buyer shall be deemed to have approved and accepted the condition of the Property and shall rely solely upon Buyer's own inspections, investigations, studies, and evaluations in purchasing the Property.

Except for Seller's express representations and warranties contained in this Contract and the warranty of title contained in the Deed, Seller makes no representation or warranty, express or implied, concerning the Property, including any representation or warranty regarding merchantability, habitability, fitness for a particular purpose, physical condition, environmental condition, development potential, availability or adequacy of utilities, drainage, soils, zoning, or suitability for Buyer's intended use.

Buyer hereby waives, releases, and discharges Seller from claims arising from or relating to the physical condition of the Property or matters that Buyer discovered, or through the exercise of reasonable diligence could have discovered, during the Inspection Period; provided, however, that nothing herein shall release Seller from liability for fraud, intentional misrepresentation, or Seller's express obligations under this Contract.

4.5 Survival of Closing. Except as otherwise specifically provided herein, all representations contained in this Contract shall survive closing.

Article V Closing

5.1 Time and Place. Closing of the sale shall be on or before November 13, 2026 (the Closing Date). If either party fails to close this sale by the Closing Date, the non-defaulting party shall be entitled to exercise the remedies contained herein immediately and without notice.

5.2 Seller's Obligations at Closing. At closing, Seller shall deliver or cause to be delivered to Buyer the following:

(a) A General Warranty Deed (hereinafter referred to as the "Deed"), fully executed and acknowledged by Seller, in form satisfactory to Buyer, conveying to Buyer good and indefeasible fee simple absolute title to the Property, subject only to the Permitted Exceptions, which shall be those matters, if any, shown on the survey or listed as exceptions in the Title Report which are not removed or cured in the manner provided for herein (referred to as the "Permitted Exceptions"). The Deed shall contain the disclaimer of all warranties, except the warranty of title, as provided for herein.

(b) A Texas Standard Form of Owner's Policy of Title Insurance, as prescribed by the Texas State Board of Insurance (herein referred to as the "Owner's Policy"), dated as of the Closing Date and issued by the Title company, insuring Buyer's fee simple title to the Property in the full amount of the Purchase Price, subject only to the Permitted Exceptions and the following matters:

(1) The standard printed exceptions provided for in the standard form of Owner's Policy of Title Insurance; provided, however, that the Owner's Policy shall not contain any exceptions for the following: (i) any liens of any kind other than those approved by Buyer as provided for in this Contract, or (ii) restrictions, easements, encroachments or exceptions other than those approved by Buyer as provided for in this Contract;

(2) Any exception of lien for taxes shall be limited to taxes for the year of Closing not yet due and payable;

(3) Any exception for restrictions shall be endorsed "None of Record," other than applicable zoning and building regulations and any restrictive covenants that may be a Permitted Exception hereunder; and

(4) Any liens, easements, reservations, covenants or conditions required to be granted or placed of record against the Property by Buyer and Seller so as to comply with other terms and/or provisions of this Contract.

(c) A Bill of Sale on the Personal Property.

(d) An affidavit, sufficient under Treasury Regulations to release Buyer from Buyer's obligation to withhold a portion of the Purchase Price under Section 1445 of the Internal Revenue Code of 1954, as amended.

(e) Possession of the Property, shall be delivered upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. 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.

5.3 Buyer's Obligations at Closing. At closing Buyer shall deliver to Seller the Purchase Price in cash or other good funds.

5.4 Taxes and Other Charges. Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. Seller shall be responsible for all utility charges consumed on or attributable to the Property prior to Seller's relinquishment of Possession and Buyer shall be responsible for all utility charges consumed on or attributable to the Property after Seller's relinquishment of possession. The parties agree to cooperate in transfer of all utility accounts and in the proration of such charges as final bills are issued thereon to Seller. Obligations imposed by this paragraph shall survive Closing.

5.5 Costs of Sale. All costs and expenses of closing in consummating the sale and purchase of the Property shall be borne and paid as follows:

- (a) Owner's Title Policy paid by Seller,
- (b) Costs related to all surveys, tests, reports, audits, environmental assessments and any loan paid by Buyer, and
- (c) Attorney's fees paid by the party by whom incurred.

Article VI Escrow Deposit

6.1 Amount and Escrow Agent. For the purpose of securing the performance of Buyer under the terms and provisions of this Contract, Buyer shall deliver to **Edwards Abstract and Title Co.**, 3111 W Freddy Gonzalez, Edinburg, Hidalgo County, Texas, Escrow Agent, the sum of **TWENTY THOUSAND DOLLARS (\$20,000.00)** within fourteen (14) business days of execution hereof by both Buyer and Seller. If Buyer fails to timely deliver such Earnest Money this Contract shall be automatically terminated and be null and void.

6.2 Escrow Agent Status. The Earnest Money is deposited with Escrow Agent with the understanding that Escrow Agent (a) is not a party to this Contract and does not assume or have any liability for performance or non-performance of any signatory; (b) has the right to require from all signatories a written release of liability of the Escrow Agent which authorizes the disbursement of the Earnest Money; (c) is not liable for interest or other charge on the funds held; and (d) is not liable for any losses of escrow funds caused by the failure of any banking institution in which such funds have been deposited, unless such banking institution is acting as Escrow Agent. If any signatory unreasonably fails to deliver promptly the documents described in (b) above, then such signatory shall be liable to the other signatories as provided herein. At closing, the Earnest Money shall be applied to the Purchase Price and any expenses to be paid by Buyer.

Article VII Breach by Seller

In the event Seller shall fail to fully and timely perform any of Seller's obligations hereunder or shall fail to consummate the sale of the Property for any reason, except Buyer's default, Buyer may terminate this Contract and receive a full refund of the Earnest Money as Buyer's sole and only remedy.

Article VIII Breach By Buyer

In the event Buyer shall fail to consummate the purchase of the Property other than is contemplated by the terms and conditions of this Contract, Seller may terminate this Contract and receive the Earnest Money as Seller's sole and only remedy.

Article IX Brokerage Commission

9.1 Other Claims. Seller and Buyer each represent and warrant that there are no brokers involved in this transaction. If any broker asserts a claim for compensation based upon any actual or alleged communication with Buyer or Seller, then the party through whom that broker makes its claim shall indemnify and hold the other party (for purposes of this Article IX, the "Indemnified Party") harmless from and against that claim, and all damages and expenses (including without limitation, reasonable attorneys' fees and court costs), incurred as a result by the Indemnified Party. This provision shall survive the closing or termination of this Contract.

9.3 Compliance. In accordance with the requirements of Section 28 of the Texas Real Estate License Act, Buyer is hereby advised that it should be furnished with or obtain a policy of title insurance or should have the abstract covering the Property examined by an attorney of its own selection.

Article X Miscellaneous

10.1 No Agency or Partnership. No term or provision of this Contract or act of the Seller in the performance of this Contract shall be construed as making either party or its officers, directors, agents or employees, the agent, servant, employee or contractor of the other party or create a partnership between the parties.

10.2 Assignment. This Contract may NOT be assigned by Buyer without the prior written consent of the Seller.

10.3 Survival of Covenants. Any of the representations, warranties, covenants and agreements of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the closing of the transactions contemplated hereby shall survive the closing and shall not be merged therein.

10.4 Notice. Any notice, demand or request permitted, required or desired to be given in connection with this Contract shall be in writing and shall be deemed effective if hand delivered or sent by United States certified or registered mail, return receipt requested, postage prepaid, or sent by private, receipted courier guaranteeing same-day or next-day delivery, addressed as follows:

to Seller: Los Tesoros Investments I Ltd.
Attn: Dr. Hector Guerra
907 S. Cage Blvd
Pharr, TX 78577
Tel: 956-227-3902
E-Mail: brushcountydock@yahoo.com

with copy to:

to Buyer: Hidalgo County
Attn: Valde Guerra
100 E. Cano
Edinburg, TX 78539
Tel: 956-316-2800
E-Mail: valde.guerra@co.hidalgo.tx.us

with copy to Mr. Robert Vina III
Chief Assistant District Attorney
100 E. Cano
Edinburg, TX 78539
Tel: 956-292-7609
E-Mail: Robert.vina@da.co.hidalgo.tx.us

If mailed in accordance with this section, such notices shall be deemed effective on the date actually received at the addressee's office or on the third (3rd) day after deposit in the U.S. Mail, whichever is earlier. Notices delivered by any other means shall be effective upon receipt by the addressee named therein.

10.5 Texas Law to Apply. This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas.

10.6 Parties Bound. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns where permitted by this Contract.

10.7 Legal Construction. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. Each party acknowledges that both parties have had the opportunity to be represented by counsel, that the terms of this Contract were negotiated between the parties and that this Contract will be construed as having been drafted equally by both parties.

10.8 Prior Agreements Superseded. This Contract constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

10.9 Attorney's Fees. To the extent allowed by law, any signatory to this Contract who is the prevailing party in any legal proceeding against any other signatory brought under or with relation to this

Contract or transaction shall be entitled to recover reasonable and necessary attorney's fees from the non-prevailing party.

10.10 Time of Essence. Time is of the essence of this Contract.

10.11 Gender and Number. Words of any gender used in this Contract shall be held and construed to include any other gender; and words in the singular number shall be held to include the plural, and vice versa, unless the contract requires otherwise.

10.12 Headings. The headings above the various provisions of this Contract have been included only in order to make it easier to locate the subject covered by each provision and are not to be used in construing this Contract.

10.13 Agreement to Mediate. The parties to the Contract agree to negotiate in good faith in an effort to resolve any dispute related to the Contract that may arise between the parties or between a party. If the dispute cannot be resolved by negotiation, the parties to the dispute shall submit the dispute to mediation before resorting to litigation. **This Agreement for Mediation will survive closing.** If the need for mediation arises, the parties to the dispute shall choose a mutually acceptable mediator and shall share the cost of mediation services equally.

10.14 Facsimile/Electronic Signatures Approved. The parties agree that signature and return of a facsimile or electronic version of the Contract to the other party shall be deemed as an original signature and be binding upon all parties.

EXECUTED the _____ day of _____, 2026.

NAME

By: _____
NAME, Title

EXECUTED the _____ day of _____, 2026.

HIDALGO COUNTY

By: _____
VALDE GUERRA, Chief Executive Officer

ESCROW AGENT'S RECEIPT

Edwards Abstract & Title Co. hereby acknowledges receipt of a copy of this Contract and a check in the sum of **TWENTY THOUSAND DOLLARS (\$20,000.00)** and agrees to hold said sum under the terms and conditions as set forth in the Contract to which this Receipt is attached.

Dated this _____ day of _____, 2026.

TITLE COMPANY

By:_____

Name:_____

Title:_____