

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this “Agreement”) is executed effective as of January 14, 2020 (the “Effective Date”), and is made by and between PlainsCapital Bank, a Texas banking association (“Seller”), and the County of Hidalgo, Texas (“Buyer”).

A. This Agreement is made with reference to the following property (collectively, the “Property”):

(1) Seller’s fee interest in that certain real property described as Lots 13-15 and 19-24, Block 275, Original Townsite of Edinburg, Hidalgo County, Texas and Lots 15-32, Block 1, West Meadows, an addition to the City of Edinburg, Hidalgo County, Texas, which land is more particularly described on Exhibit “A” attached hereto and incorporated herein by this reference, together with all easements, rights and privileges appurtenant thereto, if any (collectively, the “Land”);

(2) All of Seller’s right, title and interest in and to the office buildings located upon the Land (collectively the “Buildings”), together with all improvements, structures, fixtures and parking areas located on the Land, if any, and appurtenant thereto (the Buildings and such improvements, structures, fixtures and parking areas being hereinafter collectively referred to as the “Improvements,” and the Land and the Improvements being hereafter collectively referred to as the “Real Property”);

(3) All of Seller’s right, title and interest in and to all fixtures, equipment, appliances, and other tangible personal property of every nature and description owned by Seller and attached or located on or within the Real Property, but excluding (i) any personal property owned or leased by any tenant or other third party, (ii) any bank safes, signage, branded items, servers, computers, printers, teller scanners, check coders, routers, automated teller machines, and similar bank equipment, and (iii) accounting, treasury, or bookkeeping data, reports, programs, or software or other related items (such tangible personal property, other than the excluded property, being referred to herein as the “Personal Property”); and

(4) All of Seller’s right, title and interest, if any, in and to (i) any transferrable warranties and/or guaranties, express or implied, from contractors, builders, manufacturers, and/or suppliers inuring to the benefit of Assignor and relating to the Real Property or the Personal Property, (ii) any transferrable licenses, permits and approvals relating to the Real Property or the Personal Property, (iii) all plans, drawings and specifications concerning the Real Property or the Personal Property; and (iv) any development rights concerning the Real Property (collectively, the “Intangible Property”).

TERMS AND CONDITIONS

In consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, each intending to be legally bound, agree as follows:

1. Sale and Purchase. Seller hereby agrees to sell, transfer and convey the Property to Buyer, and Buyer hereby agrees to purchase and accept the Property from Seller, in each case for the Purchase Price and subject to the other terms and conditions set forth in this Agreement.

2. Purchase Price. The purchase price for the Property (the "Purchase Price") shall be Three Million Four Hundred Sixty Thousand and No/100 Dollars (\$3,460,000.00). The Purchase Price, subject to the terms and conditions hereinafter set forth, shall be paid to Seller by Buyer as follows:

2.1. Deposit. Within three (3) Business Days (as defined below) following the mutual execution and delivery of this Agreement by Buyer and Seller, Buyer shall deliver to Edwards Abstract and Title Co. ("Escrow Agent") a deposit in the amount of One Thousand and No/100 Dollars (\$1,000.00) (together with any interest thereon, the "Deposit"). The Deposit shall be delivered to Escrow Agent in immediately available funds, to be held in escrow and delivered in accordance with this Agreement.

2.2. Payment at Closing. At the consummation of the transaction contemplated hereby (the "Closing"), Buyer shall deliver to Escrow Agent cash or immediately available funds in an amount equal to the Purchase Price, less the Deposit. The Purchase Price, subject to adjustments and apportionments as set forth herein, shall be paid at Closing in immediately available federal funds, transferred to the order or account of Seller or such other person as Seller may designate in writing. The delivery and recording of documents and the disbursement of funds shall be effectuated through the Escrow Agent at the Closing and pursuant to the closing instructions from the parties hereto, which closing instructions shall not modify or diminish the parties' respective obligations hereunder.

2.3. Independent Consideration. Seller and Buyer acknowledge and agree that One Hundred Dollars (\$100.00) of the Deposit shall be paid to Seller if this Agreement is terminated for any reason (the "Independent Contract Consideration"). Moreover, Seller and Buyer acknowledge and agree that the Independent Contract Consideration has been bargained for and agreed to as additional consideration for Seller's execution and delivery of this Agreement and is non-refundable to Buyer.

3. Inspection Period. No later than three (3) Business Days after the Effective Date, Seller shall, to the extent the items currently exist and either are in Seller's possession or are readily available to Seller, deliver to Buyer accurate and complete copies of all of the information set forth on Exhibit "K" (collectively, the "Property Information"). All Property Information shall be delivered to Buyer electronically or in hard copy the attention of Valde Guerra, Hidalgo County Chief Executive Officer, 2818 S. Business Hwy 281, Edinburg, Texas 78539, telephone (956) 292-7655, email: valde.guerra@co.hidalgo.tx.us

3.1. Entry. During the Inspection Period (as defined below), Buyer and its agents and representatives shall be entitled to enter upon the Real Property from time to time after business hours (as coordinated through Seller or its property manager), including all leased areas, upon reasonable prior notice to Seller, to perform inspections and tests of the Property, including surveys, environmental studies, examinations and tests of all structural and mechanical systems within the Improvements.

Notwithstanding the foregoing, Buyer shall not be permitted to interfere unreasonably with Seller's operations at the Property or disturb or interfere with any tenant's rights or occupancy at the Property, and the scheduling of any inspections shall take into account the timing and availability of access to tenants' premises, if any. If Buyer wishes to engage in any testing which is invasive, which will damage or disturb any portion of the Property, which will involve sampling, or which will involve testing of subsurface soils, surface water, or groundwater, Buyer shall obtain Seller's prior written consent thereto, which may be withheld, conditioned or delayed in Seller's sole discretion. To the extent permitted by law, Buyer shall reimburse, indemnify and hold harmless Seller from any claims, damages, liabilities, or losses resulting from or caused by Buyer's investigations conducted pursuant to this Section; *provided, however*, that Buyer shall have no obligation to reimburse, indemnify, defend and hold Seller harmless from and against any such claims, damages, liabilities, or losses to the extent resulting from Buyer's mere discovery of adverse physical conditions affecting the Property, including, without limitation, any Hazardous Materials (as defined below). To the extent that Buyer is unable, for any reason, to indemnify Seller as set forth above, Buyer agrees, to the extent permitted by law, to reimburse Seller upon demand for the full amount of all such claims, damages, liabilities, or losses incurred or suffered by Seller and Seller's costs and expenses, including reasonable attorneys' fees and expenses, to defend against any such claims, damages, liabilities, or losses.

3.2. Inspection Period. The term "Inspection Period," as used herein, shall mean the period commencing on the Effective Date and ending at 5:00 p.m. Central time on the date that is sixty (60) days following the Effective Date, *provided*, that if such date is not a Business Day (as defined below), then the Inspection Period shall continue through 5:00 p.m. Central Time on the next Business Day following such date. Buyer may terminate this Agreement in its sole discretion for any reason or no reason by giving written notice of such election to Seller at any time prior to the expiration of the Inspection Period, in which event the Deposit, less the independent consideration specified in Section 2.3, shall automatically be refunded and returned forthwith to Buyer and, except as set forth herein, neither party shall have any further liability or obligation to the other hereunder. In the absence of such written notice of termination, the contingency provided for in this Section 3.2 no longer shall be applicable, and this Agreement shall continue in full force and effect.

3.3. Title and Survey Matters. Seller shall use commercially reasonable efforts to cause Escrow Agent (in its capacity as title company issuing the title policy described below, "Title Company") to furnish to Buyer and Seller, within five (5) Business Days following the Effective Date, a preliminary title report (the "Title Report") with respect to the Property together with copies of all instruments listed as exceptions to title. Buyer will have thirty (30) days from receipt of the Title Report to give written notice to Seller specifying Buyer's objections to the Title Report, title exceptions listed therein, and the survey (collectively, "Title Objections"), if any. If Buyer timely notifies Seller in writing of the Title Objections, Seller shall have fifteen (15) days after receipt of such notice (the "Title Cure Period") to elect (but shall have no obligation whatsoever) to cure any Title Objection, and if so elected, shall either (a) satisfy the Title Objections at Seller's sole cost and expense and cause the Title Company to revise the Title Report to reflect such satisfaction, or (b) provide Buyer and the Title Company with satisfactory evidence that Seller can and will cure such Title Objections prior to or at Closing. Failure by Seller to timely respond in writing to any Title Objections shall be deemed Seller's election not to cure such Title Objections. If Seller elects not to satisfy any of the Title

Objections or otherwise fails to satisfy the Title Objections within the Title Cure Period, Buyer shall have the option, exercisable within five (5) days after the expiration of the Title Cure Period, to either (i) waive the unsatisfied Title Objections, in which event the unsatisfied Title Objections will become Permitted Exceptions (hereinafter defined), or (ii) terminate this Agreement in which event the Deposit shall automatically be refunded and returned forthwith to Buyer and, except as set forth herein, neither party shall have any further liability or obligation to the other hereunder. If Buyer fails to notify Seller in writing within five (5) days after the expiration of the Title Cure Period that Buyer has elected to terminate this Agreement pursuant to this Section 3.3, then Buyer shall be deemed to have waived all unsatisfied Title Objections. If, after the expiration of the Inspection Period, Title Company amends or adds any exception to the Title Report other than at the request of Buyer (including any liens against the Property for a liquidated amount that Seller is not obligated hereunder to satisfy at Closing), the Title Company will notify Buyer and Seller immediately. Within two (2) Business Days after Buyer receives notice from Title Company (and the Closing Date shall be extended if needed so that the Closing shall not occur prior to the end of such two (2) Business Day period), together with a copy of such intervening lien or matter, Buyer shall notify Seller in writing of any objections thereto (a "Supplemental Title Objection"). If Buyer fails to notify Seller of such Supplemental Title Objection within such two (2) Business Day period, Buyer shall be deemed to have waived any objection and approved all such exceptions. If the Supplemental Title Objection is material and adverse to the Property, is not caused by Buyer, and Seller does not agree to remove such matter, then Buyer may within two (2) Business Days after the Supplemental Title Objection, terminate this Agreement in which event the Deposit shall automatically be refunded and returned forthwith to Buyer and, except as set forth herein, neither party shall have any further liability or obligation to the other hereunder. If Seller has not received written notice from Buyer that Buyer has elected to terminate this Agreement within such two (2) Business Day period of time, then Buyer shall be deemed to have waived any unsatisfied Supplemental Title Objection. "Permitted Exceptions" shall any title or survey item: (i) not raised as Title Objections by Buyer, or (ii) raised as Title Objections by Buyer but thereafter waived or deemed waived.

Buyer shall have the right, but is not obligated, to obtain a current survey of the Property at Buyer's sole expense; provided, however, that the timing of such survey shall not extend Buyer's thirty (30) day period to provide its Title Objections to Seller.

4. Representations and Warranties of Seller. Seller represents and warrants to Buyer as follows:

4.1. Authority Seller has all requisite power and authority to enter into this Agreement and perform its obligations hereunder. The execution, delivery and performance of this Agreement and all documents contemplated hereby by Seller has been duly and validly authorized by all necessary action on the part of Seller. This Agreement is a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, subject to the effect of applicable bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws affecting the rights of creditors generally.

4.2. No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder on the part of Seller does not and will not violate any applicable law, ordinance, statute, rule, regulation, order, decree or judgment, conflict with or result in the breach of any material terms or provisions of, or constitute a default

under, or result in the creation or imposition of any lien, charge, or encumbrance upon any of the Property by reason of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which Seller is a party or which is or purports to be binding upon Seller or which otherwise affects Seller, which will not be discharged, assumed or released at Closing.

4.3. OFAC Compliance. To Seller's knowledge, Seller is in compliance in all material respects with the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order") and other similar requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation or executive orders are collectively referred to herein as the "Orders"). Seller is not:

4.3.1. listed on the Specifically Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Orders or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (collectively, the "**Lists**");

4.3.2. a person who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or

4.3.3. to Seller's knowledge, owned or controlled by, or acts for or on behalf of, any person or entity listed on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Orders.

4.4. No Governmental Authority Required. No authorization, consent or approval of any governmental authority (including, without limitation, courts) is required for the execution and delivery by Seller of this Agreement or the performance by Seller of its obligations hereunder.

4.5. Governmental Commitments. Other than this Agreement and the Contracts, Seller has not entered into any material agreements with any governmental authorities or agencies affecting the Property that cannot be terminated upon thirty (30) days' prior written notice without penalty.

4.6. No Condemnation. Seller has not received any written notice of any pending or contemplated condemnation, eminent domain or similar proceeding with respect to all or any portion of the Real Property and, to Seller's knowledge, no such proceedings are threatened.

4.7. Contracts. There are no construction, management, commission, brokerage, leasing, service, equipment, supply, maintenance or concession agreements entered into by or on behalf of Seller in effect with respect to the Real Property or the Personal Property that cannot be terminated upon thirty (30) days' prior written notice without penalty, except as set forth in Exhibit "C" (collectively, the "Contracts"). Seller has delivered or made available to Buyer true and complete copies of the Contracts. Seller has not, within the last year, received any

written notice of any default under any contract that has not been cured or waived. To Seller's knowledge, neither Seller nor any counterparty is in material default under any Contracts, and no event exists which, with the passage of time or the giving of notice or both, will become a material default thereunder on the part of Seller or any counterparty.

4.8. Tenant Improvement Allowances. Other than as set forth in the Contracts, there are no unpaid tenant improvement allowances, tenant improvement obligations, leasing commissions, and/or rent concessions with respect to any existing lease(s) of the Property.

4.9. Correction of Conditions. Seller has not received any written notice from any declarant or easement holder requiring the correction of any condition with respect to the Property, or any part thereof, by reason of a violation of any restrictions or covenants recorded against the Property.

4.10. Hazardous Materials. To Seller's knowledge, there are no Hazardous Materials (as defined below) stored on, incorporated into, located on, present in or used on the Property in violation of, and requiring remediation under, any laws, ordinances, statutes, codes, rules or regulations. For purposes of this Agreement, the term "Hazardous Materials" shall mean any substance which is or contains: (i) any "hazardous substance" defined in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601, *et seq.*) ("CERCLA") or any regulations promulgated under CERCLA; (ii) any "hazardous waste" defined in the Resource Conservation and Recovery Act, as amended (42 U.S.C. § 6901, *et seq.*) ("RCRA") or regulations promulgated under RCRA; (iii) any substance regulated by the Toxic Substances Control Act, as amended (15 U.S.C. § 2601, *et seq.*); (iv) gasoline, diesel fuel or other petroleum hydrocarbons; (v) asbestos and asbestos containing materials, in any form, whether friable or non-friable; (vi) polychlorinated biphenyls; (vii) radon gas; or (viii) any additional substances or materials which are classified or considered to be hazardous or toxic under any laws, ordinances, statutes, codes, rules, regulations, agreements, judgments, orders and decrees as amended, of the United States, the state, the county, the city or any other political subdivision in which the Property is located and any other political subdivision, agency or instrumentality exercising jurisdiction over the owner of the Property, the Property or the use of the Property relating to pollution, the protection or regulation of human health, natural resources or the environment, or the emission, discharge, release or threatened release of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or waste into the environment (including, without limitation, ambient air, surface water, ground water or land or soil).

4.11. FIRPTA. Seller is not a "foreign person" as defined in Section 1445(f)(3) of the Internal Revenue Code.

4.12. Liens. There are no claims pending or unpaid bills which would result in the creation of any materialman's or mechanic's lien on the Property for any improvements completed in the last ninety (90) days or currently in progress.

4.13. Seller's Knowledge. As used herein, "to Seller's knowledge" and similar references to the knowledge of Seller shall mean the actual conscious awareness of Pete Villarreal, without investigation.

4.14. No Other Options. Other than this Agreement and the Permitted Exceptions, the Property is not, as of the Effective Date, subject to any outstanding agreement(s) of sale or options, rights of first refusal or other rights of purchase.

4.15. Survivability of Representations and Warranties. The representations and warranties of Seller and Buyer set forth in this Agreement are remade as of the Closing Date and shall not be deemed to be merged into or waived by the instruments of Closing and shall survive for one (1) year after the Closing Date.

4.16. Limitations Regarding Representations and Warranties. EXCEPT AS SET FORTH IN THIS AGREEMENT IN WRITING, IT IS UNDERSTOOD AND AGREED THAT SELLER IS NOT MAKING AND HAS NOT AT ANY TIME MADE ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OR REPRESENTATIONS AS TO HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BUYER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLER SHALL SELL AND CONVEY TO BUYER AND BUYER SHALL ACCEPT THE PROPERTY “**AS IS, WHERE IS, WITH ALL FAULTS**”, EXCEPT AS SET FORTH IN THIS AGREEMENT, AND/OR IN THE TRANSACTION DOCUMENTS REFERENCED HEREIN.

5. Representations of Buyer. Buyer represents and warrants that:

5.1. Authority. Buyer is a County in the State of Texas, being a governmental unit in the State of Texas, validly existing under the laws of the State of Texas and has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder. The execution, delivery and performance of this Agreement and all documents contemplated hereby by Buyer has been duly and validly authorized by all necessary action on the part of Buyer. This Agreement is a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to the effect of applicable bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws affecting the rights of creditors generally.

5.2. No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder on the part of Buyer does not and will not violate any applicable law, ordinance, statute, rule, regulation, order, decree or judgment, conflict with or result in the breach of any material terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon any of the property or assets of Buyer by reason of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which Buyer is a party or which is or purports to be binding upon Buyer or which otherwise affects Buyer, which will not be discharged, assumed or released at Closing. No action by any federal, state or municipal or other governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon Buyer in accordance with its terms.

6. Conditions to Closing.

6.1. Conditions Precedent to Buyer's Obligations All of Buyer's obligations hereunder are conditioned on the satisfaction at or before the time of Closing hereunder, or at or before such earlier time as may be stated below, of each of the following conditions (each a "Buyer Closing Condition" and, collectively, the "Buyer Closing Conditions"):

6.1.1. **Accuracy of Representations.** All of the representations and warranties of Seller contained in this Agreement shall have been true and correct in all material respects when made, and shall be true and correct in all material respects on the Closing Date with the same effect as if made on and as of such date.

6.1.2. **Performance.** Seller shall have performed, observed and complied with all covenants, agreements and conditions required by this Agreement to be performed, observed and complied with on its part prior to or as of Closing hereunder.

6.1.3. **Documents and Deliveries.** All instruments and documents required on Seller's part to effectuate this Agreement and the transactions contemplated hereby shall be delivered at Closing and shall be in form and substance consistent with the requirements herein.

6.1.4. **Title Policy** On the Closing Date, the Title Company shall be unconditionally obligated and prepared, subject to the payment of the applicable title insurance premium and other related charges, to issue to Buyer an Owner's Policy of Title Insurance insuring the fee simple title to the Real Property in Buyer with liability in the amount of the Purchase Price, subject only to the Permitted Exceptions.

6.2. Conditions Precedent to Seller's Obligations. All of Seller's obligations hereunder are conditioned on the satisfaction at or before the time of Closing hereunder, or at or before such earlier time as may be stated below, of each of the following conditions (each a "Seller Closing Condition" and, collectively, the "Seller Closing Conditions"):

6.2.1. **Accuracy of Representations.** All of the representations and warranties of Buyer contained in this Agreement shall have been true and correct in all material respects when made, and shall be true and correct in all material respects on the Closing Date with the same effect as if made on and as of such date.

6.2.2. **Performance.** Buyer shall have performed, observed and complied with all covenants, agreements and conditions required by this Agreement to be performed, observed and complied with on its part prior to or as of Closing hereunder.

6.2.3. **Documents and Deliveries.** All instruments and documents required on Buyer's part to effectuate this Agreement and the transactions contemplated hereby shall be delivered at Closing and shall be in form and substance consistent with the requirements herein.

6.2.4. **Seller Lease.** Seller, as tenant, and Buyer, as Landlord, shall have entered into a lease (the "New Lease"), substantially in the form attached hereto as Exhibit "E",

pursuant to which Buyer will lease the Property to Seller for up to 180 days after the Closing Date for a base rental amount equal to \$1.25 per square foot per month (prorated for the actual number of days occupied by Seller in any partial month).

7. Failure of Conditions.

7.1. Failure of a Buyer Closing Condition. In the event a Buyer Closing Condition is not satisfied by the Closing Date, then Buyer shall have the option, at Buyer's sole discretion, to (i) waive the applicable Buyer Closing Condition and proceed with Closing, (ii) decline to proceed to Closing and, if Buyer is not in breach or default of this Agreement, terminate this Agreement, in which event all obligations, liabilities and rights of the parties under this Agreement shall terminate except as set forth herein and the Deposit shall be returned to Buyer, or (iii) decline to proceed to Closing and, if such Buyer Closing Condition is not satisfied as a result of a breach or default of this Agreement by Seller, pursue Buyer's rights and remedies set forth in Section 12.2 herein.

7.2. Failure of a Seller Closing Condition. In the event a Seller Closing Condition is not satisfied by the Closing Date, then Seller shall have the option, at Seller's sole discretion, to (i) waive the applicable Seller Closing Condition and proceed with Closing, (ii) decline to proceed to Closing and, if Seller is not in breach or default under this Agreement, terminate this Agreement, in which event all obligations, liabilities and rights of the parties under this Agreement shall terminate except as set forth herein and the Deposit shall be returned to Buyer, or (iii) decline to proceed to Closing and, if such Seller Closing Condition is not satisfied as a result of a breach or default of this Agreement by Buyer, pursue Seller's rights and remedies set forth in Section 12.1 herein.

8. Pre-Closing Matters.

8.1. Operation of Property. From and after the date of this Agreement and until the Closing or earlier termination of this Agreement, Seller shall operate, maintain and manage the Property in the same manner as Seller has in the past, including continuing repair and preventative maintenance and maintenance of adequate insurance with respect thereto.

8.2. Contracts. Buyer shall give notice to Seller on or before the expiration of the Inspection Period of any Contracts listed on Exhibit "C" which Buyer elects to continue after Closing (collectively, the "Assigned Contracts"). The Assigned Contracts shall be assigned to and assumed by Buyer at Closing and Seller shall take such steps as are reasonably necessary to terminate all Contracts other than the Assigned Contracts. From and after the Effective Date of this Agreement through the end of the Inspection Period, (i) Seller shall not, without Buyer's prior written consent, enter into any new contracts affecting the Property, except such contracts that are terminable with no more than 30 days written notice without a termination fee or penalty and (ii) Seller shall provide Buyer with copies of any new contracts. From and after the expiration of the Inspection Period, Seller shall not enter into any new contracts affecting the Property without the prior written consent of Buyer.

8.3. No Liens on Property. Seller shall not voluntarily create any liens, easements or other encumbrances affecting any portion of the Property without the prior written consent of Buyer.

9. Closing; Deliveries

9.1. Time of Closing. The Closing shall take place on the date that is fifteen (15) days after the expiration of the Inspection Period (such date, the "Closing Date") through an escrow closing with the Escrow Agent, unless otherwise agreed to in writing by both Seller and Buyer. If any date on which the Closing would occur by operation of this Agreement is not a Business Day, the Closing shall occur on the next Business Day; *provided*, that if the next Business Day is a Monday, then the Closing shall occur on the next successive Business Day. As used in this Agreement, "Business Day" shall mean any day which is not a Saturday, Sunday or legal holiday.

9.2. Seller Deliveries. On or prior to the Closing Date, Seller shall deliver to Escrow Agent the following:

9.2.1. One (1) original deed (the "Deed") for the Real Property from Seller, substantially in the form attached hereto as Exhibit "D", duly executed and acknowledged by Seller.

9.2.2. Two (2) originals of the New Lease, substantially in the form attached hereto as Exhibit "E", duly executed by Seller.

9.2.3. Two (2) originals of a bill of Sale (the "Bill of Sale") for the Personal Property from Seller, substantially in the form attached hereto as Exhibit "F", duly executed by Seller.

9.2.4. Two (2) originals of an assignment of the Intangible Property (the "Assignment and Assumption of Contracts" from Seller, substantially in the form attached hereto as Exhibit "G", duly executed by Seller.

9.2.5. Two (2) originals of an assignment of the Intangible Property (the "Assignment of Intangible Property") from Seller, substantially in the form attached hereto as Exhibit "H", duly executed by Seller.

9.2.6. Any customary certificates and affidavits (including, but not limited to, a "gap" indemnity and an owner's affidavit) necessary for Title Company to issue, without extra charge, an owner's policy of title insurance free of any exceptions for unfiled mechanics' or materialmen's liens for work performed by Seller (but not any tenants) prior to Closing, or for rights of parties in possession (other than any tenants).

9.2.7. One (1) original of a Non-Foreign Affidavit as required by the Foreign Investors in Real Property Tax Act ("FIRPTA"), as amended, in the form of Exhibit "I", duly executed by Seller.

9.2.8. One (1) original of a certification by Seller substantially in the form attached hereto as Exhibit "J" that all representations and warranties made by Seller in this Agreement are true and correct in all material respects on the Closing Date.

9.2.9. Keys or combinations to all locks at the Property, to the extent in Seller's possession. Buyer hereby acknowledges and agrees that Seller shall be permitted to make such items available to Buyer at the Property in lieu of delivering them to Escrow Agent.

9.2.10. Originals of the New Lease and copies of lease files at the Real Property, and originals of any Assigned Contracts, in each case to the extent in Seller's possession. Buyer hereby acknowledges and agrees that Seller shall be permitted to make such items available to Buyer at the Property in lieu of delivering them to Escrow Agent.

9.2.11. All other instruments and documents reasonably necessary to effectuate this Agreement and the transactions contemplated thereby.

9.3. Buyer Deliveries. On or prior to the Closing Date, Buyer shall deliver to Escrow Agent the following:

9.3.1. The Purchase Price in the amount required under Section 2 hereof (subject to the adjustments provided for in this Agreement).

9.3.2. Two (2) originals of the New Lease, duly executed by Buyer.

9.3.3. One (1) original of a certification by Buyer substantially in the form attached hereto as Exhibit "J" that all representations and warranties made by Buyer in this Agreement are true and correct in all material respects on the Closing Date.

9.3.4. Two (2) originals of the Bill of Sale, duly executed by Buyer.

9.3.5. Two (2) originals of the Assignment and Assumption of Contracts duly executed by Buyer.

9.3.6. Two (2) originals of the Assignment of Intangible Property, duly executed by Buyer.

9.3.7. All other instruments and documents reasonably necessary to effectuate this Agreement and the transactions contemplated thereby.

10. Apportionments; Taxes; Expenses.

10.1. Taxes and Operating Expenses. Except for roll back taxes (as defined below), all real estate taxes, charges and assessments affecting the Property ("Taxes") and all operating expenses including charges for water, electricity, sewer rental, gas, telephone, fuel oil and all other utilities ("Operating Expenses"), to the extent not paid directly by tenants, shall be prorated on a per diem basis as of the Closing Date. Buyer shall be entitled to all income and responsible for all expenses for the period beginning at 12:01 a.m. Central time on the Closing Date, except as set forth herein. If any Taxes have not been finally assessed as of the Closing Date for the current fiscal year of the taxing authority, then the same shall be adjusted at Closing based upon the most recently issued bills therefor, and shall be re-adjusted when and if final bills are issued. If any Operating Expenses cannot conclusively be determined as of the Closing Date, then the same shall be adjusted at Closing based upon the most recently issued bills thus far or as otherwise reasonably estimated by Buyer and Seller, and readjusted within 120 days after the end

of the calendar year in which the Closing occurs or as soon thereafter as final adjustment figures are available including final tenant reimbursement reconciliations. Buyer hereby agrees to assume all non-delinquent assessments affecting the Property, whether special or general, subject to proration on a per diem basis as of the Closing Date. All ad valorem taxes related to the Property for any time period prior to Closing resulting from a change in use of the Property at any time (also known as “roll back taxes”) shall be the responsibility of the Buyer.

10.2. Tax Refunds. All refunds of Taxes received by Seller or Buyer after the Closing with respect to any property tax appeals (“**Tax Refund**”) shall be applied (A) first, to reimburse Seller or Buyer, as the case may be, for third party expenses incurred in protesting and obtaining such Tax Refund, and (B) second, (x) to Seller if such Tax Refund is for any period which ends before the Closing Date, (y) to Buyer if such Tax Refund is for any period which commences on or after the Closing Date, or (z) to Seller and Buyer prorated based on the Closing Date, if such Tax Refund is for a period which includes the Closing Date. If Seller or Buyer receives any Tax Refund, then each shall retain or promptly pay such amounts (or portions thereof) in order that such payments are applied in the manner set forth in this Subsection. Buyer and Seller agree to cooperate with respect to any pending Tax Refund request, and the provisions of this subsection shall survive Closing.

10.3. Charges under Assigned Contracts. The monetary obligations of Seller with respect to any of the Assigned Contracts shall be prorated on a per diem basis as of the Closing Date.

10.4. Pre-Closing Items. To the extent relating to, or attributable to, any time period prior to Closing, all claims, revenues, receivables, proceeds, refunds, distributions, settlements, or other amounts (i) concerning, or payable with respect to, the Property, and (ii) actually received by Buyer, shall be payable by Buyer to Seller.

10.5. Survival. The provisions of this Section 10 shall survive the Closing to the extent any monies may be payable pursuant to this Section 10 to either party subsequent to the transfer of title to the Property to Buyer.

10.6. Closing Costs Buyer and Seller shall each pay their own legal fees related to the preparation of this Agreement and all documents required to close the transaction contemplated hereby. Buyer shall pay all costs associated with its investigation of the Property, including the cost of appraisals, architectural, engineering, credit and environmental reports, and survey costs. Seller shall pay the base premium for issuance of the Owner’s Title Policy, Buyer will pay the premiums for all endorsements to the Owner’s Title Policy, and Seller and Buyer shall each pay half of any escrow, closing, or similar fees charged by the Title Company. All other Closing costs shall be borne by Seller and Buyer, respectively, in the matter customarily borne by sellers and buyers, respectively, of real property in the county in which the Real Property is located.

11. Damage or Destruction; Condemnation; Insurance. If, at any time prior to the Closing Date, there is damage or destruction to the Property, the cost for repair of which exceeds Ten Thousand and no one hundredths Dollars (\$10,000.00) and the Property cannot be restored to its original condition prior to Closing, or if more than five percent (5%) of the total area of all Buildings is condemned or taken by eminent domain proceedings by any public authority, then,

at Buyer's option, this Agreement shall terminate, and the Deposit shall be returned to Buyer, and except as set forth herein, neither party shall have any further liability or obligation to the other hereunder. If there is any damage or destruction or condemnation or taking, regardless of the cost of any repair, and if Buyer elects not to terminate this Agreement as herein provided (to the extent Buyer is entitled to do so), then (1) in the case of a taking, all condemnation proceeds related to the Property (and attributable to periods from and after the Closing Date, if not a permanent taking) paid or payable to Seller shall belong to Buyer and shall be paid over and assigned to Buyer at Closing, and Seller shall be paid at Closing for the reasonable expenses incurred by Seller in connection with such taking (including all condemnation proceeds related to the Property attributable to periods prior to the Closing Date, if not a permanent taking); and (2) in the case of a casualty, Seller shall assign to Buyer all rights to any insurance proceeds paid or payable under the applicable insurance policies, less any of Seller's costs of collection and any sums expended by Seller in restoration, and Seller's deductible shall be a credit to Buyer against the Purchase Price, and the parties shall proceed with the Closing without any reduction in the Purchase Price payable to Seller.

12. Remedies.

12.1. Buyer Default. If the sale of the Property is not consummated due to a breach or default of this Agreement by Buyer, Seller may, as its sole and exclusive remedy, terminate this Agreement and receive the Deposit, plus all interest earned and accrued thereon, as liquidated damages (and not as a penalty) in lieu of, and as full compensation for, all other rights or claims of Seller against Buyer by reason of such default. Buyer and Seller acknowledge that the damages to Seller resulting from Buyer's breach would be difficult, if not impossible, to ascertain with any accuracy, and that the liquidated damage amount set forth in this Section represents both parties' best efforts to approximate such potential damages.

12.2. Seller Default. If the sale of the Property is not consummated due to a breach or default of this Agreement by Seller, Buyer may, as its sole and exclusive remedy, either (i) terminate this Agreement and recover its actual, out-of-pocket costs and expenses, including reasonable attorneys' fees, incurred in connection with the transactions contemplated by this Agreement, up to a maximum amount of \$100,000, or (ii) sue Seller for specific performance of Seller's obligations under this Agreement. Buyer's actual, out-of-pocket costs and expenses may include, without limitation, all title, escrow, legal and inspection fees and any other expenses incurred by Buyer in connection with the performance of its due diligence review of the Property, including, without limitation, environmental and engineering consultants' fees and the fees incurred in connection with the preparation and negotiation of this Agreement.

13. Possession. Possession of the Property shall be tendered to Buyer at Closing, subject to the rights of the Seller under the New Lease and to the other matters permitted pursuant to this Agreement.

14. Notices. All notices and other communications provided for herein shall be in writing and shall be sent to the address set forth below (or such other address as a party may hereafter designate for itself by notice to the other parties as required hereby) of the party for whom such notice or communication is intended:

If to Buyer: The County of Hidalgo, Texas
Attention: Valde Guerra, Executive Officer
2818 S. Business Hwy 281
Edinburg, Texas 78539
Email: valde.guerra@co.hidalgo.tx.us
Phone: (956) 292-7655

With copies to: Hidalgo County Judge Richard F. Cortez
100 E. Cano, 2nd Floor
Edinburg, Texas 78539
Email: richard.cortez@co.hidalgo.tx.us
Phone: (956) 318-2600

Ricardo Perez Law Firm, PLLC
Attention: Ricardo Perez
812 Del Oro Lane
Pharr, Texas 78577
Email: rperez@perezlegal.com
Phone: (956) 782-2700

If to Seller: PlainsCapital Bank- Rio Grande Valley
Attention: Robert C. Norman
7201 N. 10th St., Suite 204
McAllen, Texas 78504
Email: robert.norman@plainscapital.com
Phone: (956) 664-4785

With copies to: Winstead, PC
500 Winstead Building
2728 N. Harwood Street
Dallas, Texas 75201
Email: rmccormick@winstead.com
Phone: (214) 745.5312

If to Escrow Agent: Edwards Abstract and Title Co
3111 W. Freddy Gonzalez Drive
Edinburg, Texas 78542
Email: _____
Phone: () _____

Any such notice or communication shall be sufficient if sent by registered or certified mail, return receipt requested, postage prepaid; by hand delivery; by overnight courier service; or by e-mail (*provided* that such e-mail delivery is confirmed by the sender, by delivery service or by mail in the manner previously described within 24 hours after such transmission is sent). Any such notice or communication shall be effective when delivered or when delivery is refused.

15. Brokers. Buyer and Seller each represents to the other that it has not dealt with any broker or agent in connection with this transaction that would entitle them to a commission, except Lincoln Harris CSG acting as Seller's broker. Pursuant to a separate agreement, Seller shall pay a commission to Lincoln Harris CSG. Otherwise, the parties hereto represent and warrant to each other that neither party has retained any broker or finder except as identified herein or agreed to pay any brokerage fee, finder's fee or commission to any person or entity for or on account of this Agreement, the Property, or the transaction contemplated hereby, and to the extent allowed by law, each party hereby agrees to reimburse, indemnify and hold harmless the other party from all claims, losses, costs and expenses (including reasonable attorneys' fees) with respect to any such fee or commission claimed by any party asserting his entitlement thereto due to the alleged actions or conduct of the indemnifying party. The provisions of this Section 15 shall survive Closing or the termination of this Agreement without limit. To extent that Buyer is unable, for any reason, to indemnify Seller as set forth above, Buyer agrees, to the extent allowed by law, to reimburse Seller upon demand for the full amount of all such claims, losses, costs and expenses incurred or suffered by Seller and Seller's costs and expenses, including reasonable attorneys' fees and expenses, to defend against any such claims, losses, costs and expenses.

16. Escrow Agent. Escrow Agent shall hold the Deposit in accordance with the terms and provisions of this Agreement, subject to the following:

16.1. Obligations. Escrow Agent undertakes to perform only such duties as are set forth in this Agreement and no implied duties or obligations shall be read into this Agreement against Escrow Agent.

16.2. Reliance. Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes has been duly authorized, executed and delivered, and any statement or assertion contained in such writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instrument in connection with the provisions of this Agreement has been duly authorized to do so. Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner and execution, or validity of any instrument deposited in escrow, nor as to the identity, authority, or right of any person executing the same, and Escrow Agent's duties under this Agreement shall be limited to those provided in this Agreement. Upon receipt by Escrow Agent from either Buyer or Seller of any notice or request (the "Escrow Demand") to perform any act or disburse any portion of the monies held by Escrow Agent under the terms of this Agreement, Escrow Agent shall give written notice to the other party (the "Notified Party"). If within seven (7) days after the giving of such notice, Escrow Agent does not receive any written objection to the Escrow Demand from the Notified Party, Escrow Agent shall comply with the Escrow Demand. If Escrow Agent does receive written objection from the Notified Party in a timely manner, Escrow Agent shall take no further action until the dispute between the parties has been resolved.

16.3. Indemnification. Unless Escrow Agent discharges any of its duties under this Agreement in a negligent manner or is guilty of willful misconduct with regard to its duties under this Agreement, Seller and Buyer shall, to the extent resulting from the acts or omissions of such party and to the extent allowed by law, reimburse and indemnify Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or other expenses, fees, or charges of any character or nature, which Escrow Agent may

incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement; and in such connection Seller and Buyer, to the extent allowed by law, shall reimburse and indemnify Escrow Agent against any and all expenses including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim in such capacity. To the extent that Buyer is unable, for any reason, to indemnify Escrow Agent as set forth above, Buyer agrees to reimburse Escrow Agent upon demand, to the extent allowed by law, for the full amount of all such claims, liabilities, losses, actions, suits or proceedings incurred or suffered by Escrow Agent and Escrow Agent's costs and expenses, including reasonable attorneys' fees and expenses, to defend against any such claims, liabilities, losses, actions, suits or proceedings, all to the extent resulting from the acts or omissions of Buyer.

16.4. Disputes. If the parties (including Escrow Agent) shall be in disagreement about the interpretation of this Agreement, or about their respective rights and obligations, or the propriety of any action contemplated by Escrow Agent, or the application of the Deposit, Escrow Agent shall hold the Deposit until the receipt of written instructions from both Buyer and Seller or a final order of a court of competent jurisdiction. Escrow Agent shall be reimbursed and indemnified for all costs and reasonable attorneys' fees in its capacity as Escrow Agent in connection with any such interpleader action and shall be fully protected in suspending all or part of its activities under this Agreement until a final judgment in the interpleader action is received.

16.5. Counsel. Escrow Agent may consult with counsel of its own choice and have full and complete authorization and protection in accordance with the opinion of such counsel. Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind, unless caused by its negligence or willful misconduct.

16.6. Interest. All deposits into the escrow shall be held by the Escrow Agent in an Interest bearing account. All interest earned on the Deposit shall be deemed to be part of the Deposit and shall accrue to the benefit of Buyer except to the extent the Deposit becomes payable to Seller pursuant to Section 12. In such event the interest earned on the Deposit shall accrue to the benefit of Seller.

17. Indemnification

17.1. Seller's Indemnification. From and after the Closing, Seller shall reimburse, indemnify, defend and hold Buyer harmless from and against any and all claims, damages, losses or liabilities resulting from: (a) non-contractual claims of third-parties against Buyer relating to Seller's use, operation or ownership of the Property to the extent attributable to any period of time before the Closing Date, (b) breaches prior to Closing by Seller of its obligations under any Assigned Contract, and (c) breaches by Seller of its obligations under any contract relating to or affecting the Property not assumed by Buyer, whether allocable to a period prior to or after the Closing.

17.2. Buyer's Indemnification. From and after the Closing, Buyer shall to the extent allowed by law, reimburse, indemnify, defend and hold Seller harmless from and against any and all claims, damages, losses or liabilities resulting from: (a) any non-contractual claims of third-parties against Seller relating to Buyer's use, operation or ownership of the Property to the extent attributable to any period of time from and after the Closing Date and (b) breaches from

and after Closing by Buyer of its obligations under any Assigned Contract. To the extent that Buyer is unable, for any reason, to indemnify Seller as set forth above, Buyer agrees to reimburse Seller upon demand to the extent allowed by law, for the full amount of all such claims, damages, losses or liabilities incurred or suffered by Seller and Seller's costs and expenses, including reasonable attorneys' fees and expenses, to defend against any such claims, damages, losses or liabilities.

18. Miscellaneous.

18.1. Assignability. Seller and Buyer shall not assign any of its right, title, claim or interest in, to or under this Agreement.

18.2. Governing Law; Bind and Inure. This Agreement shall be governed by the law of the State of Texas without regard to its conflicts of laws principles and shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. Venue for any action or claims between the parties shall be in Hidalgo County, Texas.

18.3. Recording. Neither this Agreement nor any notice or memorandum hereof shall be recorded in any public land record. A violation of this prohibition shall constitute a material breach entitling the non-breaching party to terminate this Agreement.

18.4. Time of the Essence. Time is of the essence with respect to all provisions of this Agreement.

18.5. Further Assurances. Each party will, whenever and as often as it shall be requested to do so by the other party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all such further conveyances, assignments, approvals, consents and any and all other documents and do any and all other acts as may be necessary to carry out the intent and purpose of this Agreement. The provisions of this Section 18.5 shall survive the Closing.

18.6. Headings. The headings preceding the text of the paragraphs and subparagraphs hereof are inserted solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

18.7. Counterparts; Electronic Signatures. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument. Facsimile and electronically transmitted signatures shall for all purposes be treated as originals.

18.8. Exhibits. All Exhibits which are referred to herein and which are attached hereto are made and constitute a part of this Agreement.

18.9. Submission not an Offer or Option. The submission of this Agreement or a summary of some or all of its provisions for examination or negotiation by Buyer or Seller does not constitute an offer by Seller or Buyer to enter into an agreement to sell or purchase the Property, and neither party shall be bound to the other with respect to any such purchase and sale

until a definitive agreement satisfactory to Buyer and Seller in their sole discretion is executed and delivered by both Seller and Buyer.

18.10. Entire Agreement; Amendments. This Agreement and the Exhibits and Schedules hereto set forth all of the promises, covenants, agreements, conditions and undertakings between the parties hereto with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, except as contained herein. This Agreement may not be changed orally but only by an agreement in writing, duly executed by or on behalf of the party or parties against whom enforcement of any waiver, change, modification, consent or discharge is sought.

18.11. Attorneys' Fees. In the event of any litigation arising out of this Agreement or related to the subject matter of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

18.12. Waiver of Jury Trial. Each party to this Agreement hereby IRREVOCABLY waives any right to trial by jury of any claim, demand, action or cause of action (each, an "Action") (a) arising out of this Agreement or related to the subject matter of this Agreement, including any present or future amendment thereof, or (b) in any way connected with or related or incidental to the dealings of the parties or any of them with respect to this Agreement (as hereafter amended) or any other instrument, document or agreement executed or delivered in connection herewith, or the transactions related hereto or thereto, in each case whether such Action is now existing or hereafter arising, and whether sounding in contract or tort or otherwise and regardless of which party asserts such Action; and each party hereby agrees and consents that any such Action shall be decided by court trial without a jury, and that any party to this Agreement may file an original counterpart or a copy of this Section 18.12 with any court as written evidence of the consent of the parties to the waiver of any right they might otherwise have to trial by jury. THIS WAIVER IS GIVEN KNOWINGLY AND VOLUNTARILY AFTER CONSULTATION WITH COUNSEL.

18.13. No Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver, nor shall a waiver in any instance constitute a waiver in any subsequent instance. No waiver shall be binding unless executed in writing by the party making the waiver.

18.14. Rules of Construction. Article and Section captions used in this Agreement are for convenience only and shall not affect the construction of this Agreement. All references to "Article" or "Sections" without reference to a document other than this Agreement, are intended to designate articles and sections of this Agreement, and the words "herein," "hereof," "hereunder," and other words of similar import refer to this Agreement as a whole and not to any particular Article or Section, unless specifically designated otherwise. The use of the term "including" shall mean in all cases "including but not limited to," unless specifically designated otherwise. No rules of construction against the drafter of this Agreement shall apply in any interpretation or enforcement of this Agreement, any documents or certificates executed pursuant hereto, or any provisions of any of the foregoing.

18.15. Confidentiality. Neither party shall make any press release or other public disclosure with respect to this transaction either before or after Closing, except:

(a) To the extent required by law, including without limitation disclosure required under the Texas Public Information Act or Freedom of Information Act (“**FOIA**”) request, federal or state banking regulations, securities laws, or by the Securities and Exchange Commission, or by the rules of any stock exchange, or in connection with any filing or registration;

(b) to such attorneys, accountants, present or prospective sources of financing, prospective landlords and their brokers or agents, partners, directors, Buyer’s elected officials, officers, employees and representatives of either party or of such party’s advisors who need to know such information for the purpose of evaluating and consummating the transaction, including the financing of the transaction; and

(c) Buyer and Seller may issue one or more joint or separate press releases after Closing, but only after the other party has reviewed and approved in writing the final form of such press release, which approval may not be unreasonably withheld. No press release will be issued prior to Closing unless the other party has approved of the press release in its sole discretion.

[Signature Page Follows]

Signature Page to Purchase and Sale Agreement

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first above written.

SELLER:

PlainsCapital Bank,
a Texas banking association

By: _____

Pete Villarreal,
EVP and Chief Administrative Officer

BUYER:

The County of Hidalgo, Texas

ATTEST



Arturo Guajardo Jr.

Arturo Guajardo, Jr., County Clerk

By: _____

Richard F. Cortez
Richard F. Cortez, County Judge

APPROVED BY
COMMISSIONERS' COURT
ON: 11/14/20 *gr*

CONSENT OF ESCROW AGENT

The undersigned Escrow Agent hereby agrees to (i) accept the foregoing Agreement, (ii) be Escrow Agent under said Agreement and (iii) be bound by said Agreement in the performance of its duties as Escrow Agent; *provided, however*, the undersigned shall have no obligations, liability or responsibility under (y) this Consent or otherwise unless and until said Agreement, fully signed by the parties, has been delivered to the undersigned or (z) any amendment to said Agreement unless and until the same shall be accepted by the undersigned in writing.

DATED: January __, 2020

Edwards Abstract and Title Co.

By: _____

Name: _____

Title: _____

List of Exhibits

Exhibit “A”	Description of Land
Exhibit “B”	INTENTIONALLY DELETED
Exhibit “C”	List of Contracts
Exhibit “D”	Form of Deed
Exhibit “E”	Form of New Lease
Exhibit “F”	Form of Bill of Sale
Exhibit “G”	Form of Assignment and Assumption of Contracts
Exhibit “H”	Form of Assignment of Intangible Property
Exhibit “I”	Form of Non-Foreign Affidavit
Exhibit “J”	Form of Certificate of Representations and Warranties
Exhibit “K”	Property Information

Exhibit "A"

Description of Land

Tract 1: CALL CENTER (505 South McColl Road, Edinburg, TX 78539)

Lots Fifteen (15), Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20), Twenty-One (21), Twenty-Two (22), Twenty-Three (23), Twenty-Four (24), Twenty-Five (25), Twenty-Six (26), Twenty-Seven (27), Twenty-Eight (28), Twenty-Nine (29), Thirty (30), Thirty-One (31), and Thirty-Two (32), Block One (1), WEST MEADOWS, an addition to the City of Edinburg, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 44, Pages 45 and 46, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes.

Tract 2: DATA CENTER & CORPORATE HEADQUARTERS (123 West Mahl Street, Edinburg, TX 78539, and 215 South Closner Boulevard, Edinburg, TX 78539)

Lots Thirteen (13), Fourteen (14), Fifteen (15), Nineteen (19), Twenty (20), Twenty-One (21), Twenty-Two (22), Twenty-Three (23), and Twenty-Four (24), Block Two Hundred Seventy-Five (275), ORIGINAL TOWNSITE OF EDINBURG, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 1, Page 23, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes.

Exhibit "B"

INTENTIONALLY DELETED

Exhibit "C"

List of Contracts

[*Seller to provide*]

Exhibit "D"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

PlainsCapital Bank, a Texas banking association, ("Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration paid by the **County of Hidalgo, Texas** ("Grantee"), the receipt and sufficiency of which are acknowledged, has **GRANTED, BARGAINED, SOLD, and CONVEYED** and by these presents does hereby **GRANT, BARGAIN, SELL, AND CONVEY**, unto Grantee all of that certain lot, tract or parcel of land situated in the City of Edinburg, Hidalgo County, Texas, and being more particularly described in Exhibit "A" attached hereto and incorporated by this reference for all purposes, together with all of Grantor's right, title, and interest, if any, in and to (a) any and all rights, titles, powers, benefits, privileges, easements, licenses, rights-of-way, tenements, hereditaments and interests appurtenant to the real property and any improvements on the real property, and (b) any and all rights, titles, powers, benefits, privileges, easements, licenses, rights-of-way, tenements, hereditaments and interests of Grantor, either at law or in equity, in possession or in expectancy, in and to any real estate lying in the streets, highways, roads, alleys, rights-of-way, or sidewalks, open or proposed, in front of, above, over, under, through, or adjoining the real property, and in and to any strips or gores of real estate adjoining the real property (collectively, the "Property").

This Special Warranty Deed and the conveyance above are executed by Grantor and accepted by Grantee subject to all of the matters described in Exhibit "B" attached hereto and incorporated herein by reference (collectively, the "Permitted Exceptions"), in each case to the extent such matters affect or relate to all or part of the Property.

TO HAVE AND TO HOLD the Property, subject to the Permitted Exceptions as aforesaid, unto Grantee, and Grantee's successors and assigns forever; and Grantor does hereby bind Grantor, and Grantor's successors and assigns, to **WARRANT and FOREVER DEFEND**, all and singular, the title to the Property, subject to the Permitted Exceptions, unto Grantee, and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise.

Grantee, by its acceptance of this Special Warranty Deed, assumes payment of all standby charges, ad valorem taxes, and assessments for the 2020 calendar year and later calendar years not yet due and payable, and all rollback taxes, if any, resulting from the transfer of the

Property to Grantee or Grantee's use of the Property, in each of the foregoing cases to the extent attributable to all or part of the Property.

Grantee's address is: The County of Hidalgo, Texas
Texas Judge Richard F. Cortez
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

EXECUTED as of _____, 2020.

GRANTOR:

PLAINSCAPITAL BANK

By: _____
Pete Villarreal,
EVP and Chief Administrative Officer

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2020, by Pete Villarreal, in his capacity as the EVP and Chief Administrative Officer of PlainsCapital Bank, on behalf of said entity.

Notary Public, State of Texas

When recorded, return to: The County of Hidalgo, Texas, Judge Richard F. Cortez 100 E. Cano, 2nd Floor Edinburg, Texas 78539

List of Exhibits:

- Exhibit "A" – Property Description
- Exhibit "B" – Permitted Exceptions

Exhibit "A"

Description of Land

[Compare to title commitment]

Tract 1: CALL CENTER (505 South McColl Road, Edinburg, TX 78539)

Lots Fifteen (15), Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20), Twenty-One (21), Twenty-Two (22), Twenty-Three (23), Twenty-Four (24), Twenty-Five (25), Twenty-Six (26), Twenty-Seven (27), Twenty-Eight (28), Twenty-Nine (29), Thirty (30), Thirty-One (31), and Thirty-Two (32), Block One (1), WEST MEADOWS, an addition to the City of Edinburg, Hidalgo County, Texas, according to the map or plat thereof recorded in Volume 44, Pages 45 and 46, Map Records, Hidalgo County, Texas, reference to which is here made for all purposes.

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Exhibit “B”

Permitted Exceptions

Exhibit "E"
Form of New Lease

(Attached)

Exhibit “F”

BILL OF SALE

PlainsCapital Bank, a Texas banking association (“**Seller**”), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby grants, bargains, sells, transfers and delivers to the County of Hidalgo, Texas (“**Buyer**”), all of Seller’s right, title and interest in and to the Personal Property.

Seller grants, bargains, sells, transfers and delivers the Personal Property in its “**AS IS**” condition, WITH ALL FAULTS, IF ANY, and makes no representations or warranties, direct or indirect, oral or written, express or implied, as to title, encumbrances and liens, merchantability, condition or fitness for a particular purpose or any other warranty of any kind, all of which representations and warranties are hereby disclaimed and denied.

Capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in certain Purchase and Sale Agreement dated as of January 14, 2020, between Buyer and Seller.

[Signatures appear on following page]

Signature Page to Bill of Sale

Dated: _____, 2020.

SELLER:

PlainsCapital Bank,
a Texas banking association

By: _____

Pete Villarreal,
EVP and Chief Administrative Officer

BUYER:

The County of Hidalgo, Texas

ATTEST



Arturo Guajardo Jr.

By: _____

Richard F. Cortez
Richard F. Cortez, County Judge

Arturo Guajardo, Jr., County Clerk

APPROVED BY
COMMISSIONERS' COURT
ON: 11/14/20 *ms*

ATTACH:

Exhibit A – Real Property Description

Exhibit "G"

ASSIGNMENT AND ASSUMPTION OF CONTRACTS

_____, 2020

ASSIGNOR: PlainsCapital Bank, a Texas banking association

ASSIGNEE: The County of Hidalgo, Texas

RECITALS:

WHEREAS, Assignor and Assignee have entered into that certain Purchase and Sale Agreement dated as of January 14, 2020 (the "**Purchase Agreement**"), wherein Assignor agreed to sell and Assignee agreed to buy certain real property described in Exhibit A attached hereto and the improvements located thereon (the "**Property**"); and

WHEREAS, Assignee desires to assume, and Assignor desires to assign to Assignee, all of Assignor's interests under the contracts (the "**Contracts**") described in Exhibit B attached hereto and incorporated herein pertaining to the Property.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. **Assignment.** Assignor conveys and assigns to Assignee all of Assignor's right, title and interest in and to the Contracts, together with the right to receive any and all sums and proceeds arising out of said Contracts, from and after the date of conveyance of the Property by Assignor to Assignee (the "**Conveyance Date**").

2. **Assumption.** Assignee assumes and agrees to pay, perform and discharge when due or required to be performed, as the case may be, all of Assignor's obligations under the Contracts from and after the Conveyance Date, and agrees to perform and observe all of the covenants and conditions contained in and the Contracts from and after the Conveyance Date.

3. **Indemnification.** To the extent permitted by law, Assignee covenants and agrees to reimburse, indemnify and hold harmless Assignor for, from and against any actions, suits, proceedings or claims, and all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in connection therewith, arising out of any breach by Assignee of its obligations under any Contract to the extent occurring from and after the Conveyance Date. To the extent that Assignee is unable, for any reason, to indemnify Seller as set forth above, Assignee agrees to reimburse Seller upon demand, to the extent permitted by law, for the full amount of all such actions, suits, proceedings, claims, costs and expenses incurred or suffered by Seller and Seller's costs and expenses, including reasonable attorneys' fees and expenses, to defend against any such actions, suits, proceedings, claims, costs and expenses. Assignor covenants and agrees to the extent permitted by law, to indemnify and hold harmless Assignee for, from and against any actions, suits, proceedings or claims, and all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in connection therewith,

arising out of any breach by Assignor of its obligations under any Contract to the extent occurring prior to the Conveyance Date.

4. **Binding Effect.** This Assignment shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

5. **Construction; Definitions.** This Assignment shall be construed according to Texas law, without regard to its conflicts of laws principles. Capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in the Purchase Agreement.

6. **Counterparts.** This Assignment may be executed in counterparts, which taken together shall constitute one original instrument.

[Signatures appear on following page]

Signature Page to Assignment of Contracts

EXECUTED as of the day and year first above written.

ASSIGNOR:


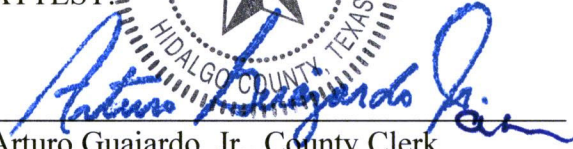
PlainsCapital Bank,
a Texas banking association

By: _____
Pete Villarreal,
EVP and Chief Administrative Officer

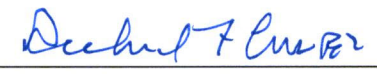
ASSIGNEE:

The County of Hidalgo, Texas

ATTEST:

Arturo Guajardo, Jr., County Clerk

By: 

Richard F. Cortez, County Judge

ATTACH:

Exhibit A - Property Description
Exhibit B – Contracts

APPROVED BY
COMMISSIONERS' COURT
ON: 

Exhibit "H"

ASSIGNMENT OF INTANGIBLE PROPERTY

_____, 2020

ASSIGNOR: PlainsCapital Bank, a Texas banking association

ASSIGNEE: The County of Hidalgo, Texas

RECITALS:

A. WHEREAS, Assignor presently owns the real property described in Exhibit A to this Assignment and the improvements and personal property located thereon (the "**Property**").

B. WHEREAS, Assignor and Assignee have entered into that certain Purchase and Sale Agreement dated as of January 14, 2020 (the "**Purchase Agreement**"), wherein Assignor agreed to sell and Assignee agreed to buy the Property;

C. WHEREAS, Assignor desires to sell the Property to Assignee, and in connection therewith, Assignor desires to assign to Assignee and Assignee desires to acquire Assignor's interest, if any, in and to the following described rights, interests and property inuring to the benefit of Assignor and relating to the Property.

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, Assignor agrees as follows:

1. **Assignment.** Assignor assigns, transfers, sets over, and conveys to Assignee, to the extent the same are assignable, all of Assignor's right, title, and interest, if any, in and to the Intangible Property.

2. **Binding Effect.** This Assignment shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

3. **Construction; Definitions.** This Assignment shall be construed according to Texas law, without regard to its conflicts of laws principles. Capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in the Purchase Agreement.

4. **Counterparts.** This Assignment may be executed in counterparts, which taken together shall constitute one original instrument.

[Signatures appear on following page]

Signature Page to Assignment of Intangible Property

EXECUTED as of the day and year first above written.

ASSIGNOR:



PlainsCapital Bank,
a Texas banking association

By: _____
Pete Villarreal,
EVP and Chief Administrative Officer

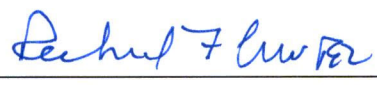
ASSIGNEE:

The County of Hidalgo, Texas


ATTEST:

Arturo Guajardo, Jr., County Clerk

By: 

Richard F. Cortez, County Judge

APPROVED BY
COMMISSIONERS' COURT
ON: 

ATTACH:

Exhibit A - Property Description

Exhibit "I"

NON-FOREIGN AFFIDAVIT

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by PlainsCapital Bank, a Texas banking association ("**Seller**"), the undersigned hereby certifies, on behalf of Seller, the following:

1. Seller is not a foreign person, foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Seller is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii) of the Treasury Regulations.
3. Seller's U.S. taxpayer identification number is 75-0910774; and
4. Seller's address is 2323 Victory Avenue, Suite 1400, Dallas, TX 75219.

The undersigned understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both. Under penalties of perjury, the undersigned declares that it has examined this certification and to its knowledge and belief it is true, correct, and complete, and further declares that he has authority to sign this document on behalf of Seller.

Date: As of _____, 2020.

PlainsCapital Bank,
a Texas banking association

By: _____
Pete Villarreal,
EVP and Chief Administrative Officer

Exhibit "J"

CERTIFICATE OF REPRESENTATIONS AND WARRANTIES

The undersigned hereby certifies to [PlainsCapital Bank, a Texas banking association, / the County of Hidalgo, Texas] that all of the representations and warranties made by the undersigned in that certain Purchase and Sale Agreement dated as of January 14, 2020, between the undersigned, as [Seller / Buyer], and [PlainsCapital Bank, a Texas banking association, / the County of Hidalgo, Texas], as [insert Seller / Buyer], are true and correct as of the date hereof in all material respects.

Dated: _____, 2020.

_____,
a _____

By: _____

Name: _____

Its: _____

Exhibit “K”

PROPERTY INFORMATION

1. Most-recent survey and site plans
2. The “Contracts” (as defined in the Purchase and Sale Agreement to which this exhibit is attached)
3. Utility bills, list of all accounts with service providers, past two years
4. Property Tax Bills (current year and previous 2 years) and any special assessment info
5. An inventory of “Personal Property” (as defined in the Purchase and Sale Agreement to which this exhibit is attached)
6. Most-recent environmental reports
7. Site/floor/building plans (as-builts), CAD files if applicable, details on initial building footage and expansion square footage
8. Certificate of Occupancy (shell and all suites)
9. Building Permits and Warranties (roof, mechanical, construction)
10. Tenant leases (including all amendments, exhibits and correspondence)