

SALE-PURCHASE CONTRACT

1. Intent: This Sale-Purchase Contract ("Contract") must be interpreted in accordance with this Paragraph. The contents of this Intent are not just a preamble but considered as part of the body of the Contract. If there be any conflict with the provisions of this Intent Paragraph with the remaining contents of this Contract, this Intent Paragraph controls and supersedes any such conflict. If there is any ambiguity in this Contract, it will be resolved to accomplish this Intent. If there is any missing language in the Contract it will be deemed to have been included to accomplish this Intent. The following is the Intent of the parties:
  - A. Buyer is purchasing the Property for a public purpose to construct a multi-level parking facility to serve downtown Edinburg and surrounding areas (the "Parking Facility").
  - B. Buyer is purchasing the Property after inspections and evaluation by its own experts not relying on any representation by Seller and/or Seller's agents. Buyer is accepting the Property in its "as is" physical condition as more particularly set out below.
  - C. There are not any improvements on the Property.
  - D. Seller is a government entity and Buyer is a government entity and they acknowledge and agree that they are entering into this transaction pursuant to the provisions of Section 272.001 of the Texas Local Government Code.
  - E. Seller is not aware that Seller owns any interest in the mineral estate but to the extent that Seller does own, same are hereby conveyed to Buyer.
2. Effective Date: August 17, 2021
3. Parties:
  - A. Seller: Hidalgo County, Texas
  - B. Buyer: City of Edinburg, Texas
4. Property: The property located in Edinburg, Hidalgo County, Texas, and as described in the attached **as Exhibit "A"** (the "Property")
5. Sales Price: \$1.00
6. Earnest Money: No earnest money is required.
7. Agreement: Seller agrees to sell to Buyer and Buyer agrees to buy from Seller the Property for the Sales Price above described under the terms, provisions, covenants and conditions herein set out in this Contract.
8. Deadlines and Other Dates

- A. All deadlines in this contract expire at 5:00 P.M. local time where the Property is located. Time is of the essence; items contemplated may be completed before the deadlines provided.
- i. Delivery of Title Commitment: September 1, 2021 (Fifteen (15) calendar days after the Effective Date)
  - ii. Delivery of Survey: September 1, 2021 (Fifteen (15) calendar days after the Effective Date)
  - iii. Closing Date: September 1, 2021
9. Terms and Conditions:
- A. Seller's Obligations: On or before Closing, Seller is to provide Buyer with:
- i. Evidence of Seller's capacity and authority to sell the Property and to close this transaction.
  - ii. A Special Warranty Deed (the "Deed") as to the Property properly executed and acknowledged by Seller, conveying good and indefeasible title, in fee simple to all the Property, free and clear of any and all rights, liens, encumbrances, conditions, uses, easements, rights-of-way, assessments, reservations, leases and restrictions, except as indicated and agreed to by Buyer on Schedule B of the title commitment. The Deed shall also contain the "as-is" language clause attached as **Exhibit "B"**, the reversion clause attached as **Exhibit "C"**, and a deed restriction attached as **Exhibit "D"**.
  - iii. Possession of the Property (Subject to use by Seller for public parking, until date of Commencement of Work for Construction).
  - iv. All documents, duly executed and acknowledged, necessary to close this transaction, including properly filled in Certificate as required by Section 1445 of the Internal Revenue Code of 1954, as amended and the IRS 1099S form.
- B. Buyer's Obligations: On or before Closing of this sale/purchase, Buyer, at Buyer's expense, shall provide Seller with:
- i. Necessary monies needed to close the Buyer's portion of the closing expenses, less the appropriate prorations and credits, if any, and all documents, duly executed and acknowledged, necessary to close this transaction.
  - ii. Buyer shall make the Property available for use by the Seller for public parking until the written notice is provided to Seller within 60 days of the date for Commencement of Work for Construction, in accordance with the requirements of Exhibits "C" and "D".

- C. Federal Tax Requirement: If Seller is a “foreign person” as defined by applicable law or if Seller fails to deliver an affidavit that Seller is not a “foreign person”, then Buyer must withhold from the Sales Proceeds at Closing an amount sufficient to comply with the applicable tax law and deliver same to the United States Internal Revenue Service, together with the appropriate tax forms.
- D. Closing Costs: At Closing of this Contract, the Parties will pay the following as indicated:
- i. Seller is to pay the following:
    - a. Seller’s Attorney’s fees;
    - b. All other costs in this Contract which are the responsibility of Seller.
  - ii. Buyer shall pay the following:
    - a. Tax Service report fee;
    - b. The basic premium for the Owner’s Policy of Title Insurance and the State of Texas Guaranty Fee corresponding to same Costs of clearing and transferring title and all recordation charges attributable to same
    - c. Buyer’s attorney’s fees; and
    - d. A survey sufficient for purposes of obtaining Title Insurance; and
    - e. Closing costs and all costs of recording.
- E. Prorations: Since both Seller and Buyer are government entities exempt from ad valorem taxes, no taxes will be prorated.
- F. Closing and Possession: The Closing of this conveyance shall be on or before September 1, 2021. Buyer is to receive possession of the Property at Closing.
- G. Inspections and Feasibility Studies: Completed before signing of this Contract.
- H. Default and Remedies: If either Seller or Buyer fails to comply with this Contract, the other party’s *sole and exclusive remedy* shall be to terminate this Contract. Neither party will be entitled to any attorneys’ fees, neither contractually, at law nor in equity. **The Parties specifically waive any rights to statutory attorney’s fees, including, but not limited to, attorney’s fees allowed under Chapters 37 & 38, Texas Civil Practice & Remedies Code.** The Parties also waive any right to recover incidental or consequential damages.

I. Notices to The Parties:

- i. Buyer should have an Abstract covering the Property examined by an attorney of Buyer's selection or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is to be obtained, Buyer should obtain a Commitment for Title Insurance which should be examined by an attorney of Buyer's choice at or prior to Closing.
- ii. If the Property is situated in a Utility District, the Texas Water Code requires the Buyer to sign and acknowledge the statutory notice from Seller relating to the tax rate and bonded indebtedness of the District.
- iii. Buyer is advised that the presence of wetlands, toxic substances, including lead-based paint or asbestos and waste or other environmental hazards or the presence of threatened or endangered species or its habitat may affect Buyer's intended use of the Property.

10. Miscellaneous:

- b. Ambiguities Not to Be Construed against Party Who Drafted Contract: This Contract is a negotiated agreement and any documents delivered pursuantly hereto must be interpreted without regard to the identity of the persons who drafted the various provisions and in accordance with the Intent (paragraph 1.). Every provision of this Contract and such other documents will be construed as though all Parties participated equally in their drafting. Any legal rule of construction that a document is to be construed against the drafting Party is not to be applied and is expressly waived.
- c. Applicable Law: **THIS CONTRACT IS GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS.**
- d. Appraisal District: After Closing, Buyer is advised to inform the Hidalgo County Appraisal District of the change of ownership to have the valuation of the Property for taxing purposes mailed to Buyer. The Hidalgo County Appraisal District will require a copy of recorded Deed into Buyer.
- e. Binding Effect: This Contract is binding upon and inures to the benefit of the Parties hereto and their heirs, successors and assigns. ***Neither Party may assign this Contract.***
- f. Counterparts: This Contract may be executed in any number of counterparts; each such counterpart is deemed to be an original instrument, but all such counterparts together shall constitute but one Contract.
- g. Entire Agreement Modification: This Contract together with any attached exhibits and any addenda signed by the Parties constitutes the entire agreement between the Parties. This Agreement can be modified only by a writing signed by the Parties.

- h. Exhibits: All attached exhibits and addenda, if any, are incorporated herein for all purposes.
- i. Facsimile Signatures: Except for recording purposes, this Contract will be treated for all purposes as an original document if it is transmitted by facsimile machine (fax) or scanned and emailed. The signature of any Party on this Contract will be considered as an original signature for all purposes, with the same binding legal effect as an original signature, if transmitted by fax or scanned and emailed.
- j. Gender: Words of gender used in this Contract will be construed to include any other gender, and words in the singular number will be construed to include the plural, and vice versa, unless the context requires otherwise.
- k. No Special Relationship: The Parties' relationship as to this Contract is that of an ordinary commercial relationship, and does not intend to create the relationship of principal and agent, partnership, joint venture or any other special relationship.
- l. Notices: Any notice required by or permitted under this Contract must be in writing and will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested and addressed to the intended recipient at the address **shown in this Contract**. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein. Any such notice is deemed properly transmitted if it is actually received by the recipient.
- m. Severability: In case any one or more of the provisions contained in this Contract be held to be invalid, illegal or unenforceable in any respect ("Impairment"), such Impairment will not affect any other provision hereof, and this Contract must be construed as if such Impairment had never been contained herein.
- n. Survival: The obligations of this Contract that cannot be performed before termination of this Contract or before closing will survive termination of this Contract or closing, and the legal doctrine of merger will not apply to these matters. This contents of this Contract will control and supersede any conflict in the contents of any Closing Documents.
- o. Time: Time is of the essence in this Contract.

EXECUTED in multiple copies on this 17 day of August, 2021.

Seller:

Buyer:

Hidalgo County, Texas

City of Edinburg

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

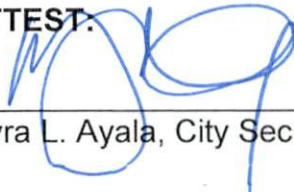
By: \_\_\_\_\_

Seller's Address & Telephone No.:  
100 E. Cano  
Edinburg, Texas  
Phone: (956) 318-2600

Buyer's Address & Telephone No.:  
415 W. University  
P.O. Box 1079  
Edinburg, Texas 78540  
Phone: (956) 388-8207



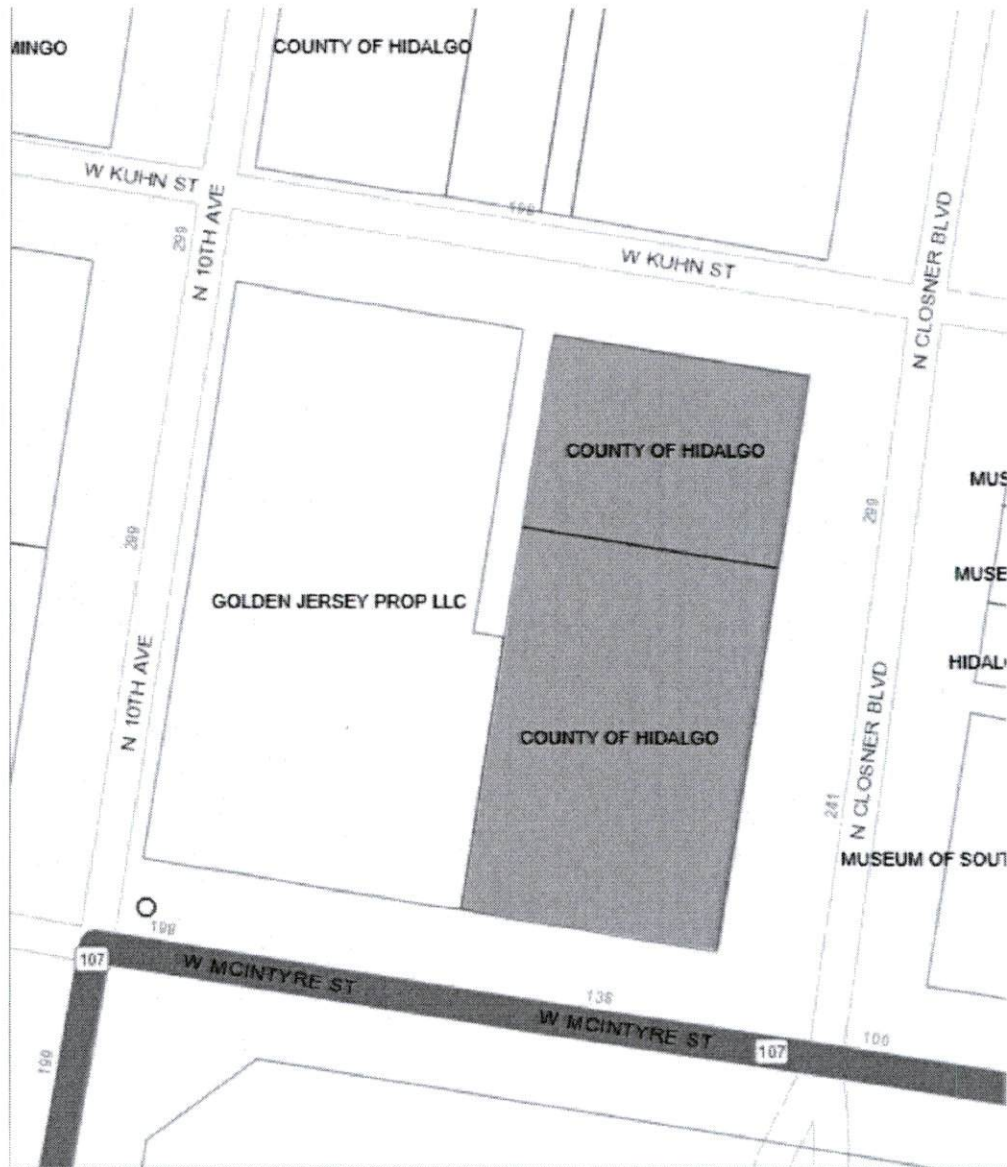
**ATTEST:**

  
\_\_\_\_\_  
Myra L. Ayala, City Secretary

APPROVED AS TO FORM:  
OMAR OCHOA LAW FIRM, P.C.

By:   
\_\_\_\_\_  
Omar Ochoa, City Attorney

**Exhibit "A"**  
**The Property**



Property ID: 164820  
Geographic ID: E3300-00-210-0007-00  
Legal Description: EDINBURG TOWNSITE LOTS 7 THRU 10 BLK 210

Property ID: 164821  
Geographic ID: E3300-00-210-0011-00  
Legal Description: EDINBURG TOWNSITE LTS 11-17 & E 9' OF LT 18 & ALLEY LYING S LT 12 & N OF LOTS 13 TO 18 BLK 210

**Exhibit "B"**  
**"As is" Clause**

Buyer acknowledges that Buyer will have the opportunity to independently and personally inspect the Property and that Buyer has entered into this Contract based upon Buyer's ability to make such examinations and inspections. As a material part of the consideration for this Contract, Seller and Buyer agree that the Property is to be sold to and accepted by Buyer at closing in its then present condition, "AS IS, WHERE IS, WITH ALL FAULTS, AND WITHOUT ANY WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, EXCEPT AS TO THE WARRANTY OF TITLE ON THE PROPERTY MADE IN THE SPECIAL WARRANTY DEED REQUIRED OF SELLER UNDER THIS CONTRACT. BUYER ALSO ACKNOWLEDGES THAT, EXCEPT AS TO THE REPRESENTATIONS EXPRESSLY SET FORTH IN THIS CONTRACT, BUYER IS NOT RELYING UPON THE ACCURACY OR COMPLETENESS OF ANY REPRESENTATION, BROCHURE, RENDERING, PROMISE, STATEMENT OR OTHER ASSERTION OR INFORMATION WITH RESPECT TO THE PROPERTY MADE OR FURNISHED BY OR ON BEHALF OF, OR OTHERWISE ATTRIBUTED TO, SELLER OR ANY OF ITS AGENTS, EMPLOYEES OR REPRESENTATIVES, ANY AND ALL SUCH RELIANCE BEING HEREBY EXPRESSLY AND UNEQUIVOCALLY DISCLAIMED, BUT IS RELYING SOLELY AND EXCLUSIVELY UPON ITS OWN EXPERIENCE AND ITS INDEPENDENT JUDGMENT, EVALUATION AND EXAMINATION OF THE PROPERTY. NOTWITHSTANDING ANYTHING IN THE CONTRACT OR ANY ADDENDA TO THE CONTRARY, SELLER, EXCEPT AS TO THE EXPRESS REPRESENTATIONS CONTAINED HEREIN AND THE WARRANTY OF TITLE IN THE SPECIAL WARRANTY DEED REQUIRED OF SELLER UNDER THIS CONTRACT, MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND TO BUYER, INCLUDING, WITHOUT LIMITATION: (A) THE PHYSICAL CONDITION OF THE PROPERTY AND ANY IMPROVEMENTS LOCATED THEREON; (B) ANY AND ALL IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF CONDITION, MERCHANTABILITY, HABITABILITY AND FITNESS FOR A PARTICULAR PURPOSE; (C) ANY REPRESENTATION OR WARRANTY WITH REGARD TO COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS INCLUDING, BUT NOT LIMITED TO, THOSE PERTAINING TO THE HANDLING, GENERATING, TREATING, STORING OR DISPOSING OF ANY HAZARDOUS WASTE, SUBSTANCE OR SOLID WASTE, AS DEFINED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS AT 40 C.F.R. PART 2261, OR HAZARDOUS SUBSTANCE, AS DEFINED BY THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT OF 1990, AS AMENDED, AND REGULATIONS PROMULGATED THEREUNDER; AND (D) ANY REPRESENTATION, WARRANTY OR GUARANTEE OF ANY KIND, ORAL OR WRITTEN, EXPRESS OR IMPLIED CONCERNING THE PROPERTY, INCLUDING WITHOUT LIMITATION: (I) THE PROFITABILITY, SUITABILITY OR FITNESS OF THE PROPERTY FOR A PARTICULAR PURPOSE; (II) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS INCORPORATED INTO THE IMPROVEMENTS, IF ANY, ON THE PROPERTY; (III) THE MANNER OF REPAIR, QUALITY, STATE OF REPAIR, OR LACK OF REPAIR OF THE PROPERTY; AND (IV) THE AVAILABILITY OF UTILITIES AND ACCESS OF THE PROPERTY TO PUBLIC ROADS. THE PROVISIONS OF THIS PARAGRAPH ARE A MATERIAL PART OF THE CONSIDERATION FOR SELLER'S ENTERING INTO THIS CONTRACT, AND SHALL SURVIVE CLOSING AND SHALL NOT MERGE.

**Exhibit "C"**  
**Reversion clause**

The Deed shall contain the following provision:

**Fee Simple Determinable Condition:**

Grantee is purchasing the Property with the full knowledge that part of the consideration for this conveyance of the Property to Grantor, is Grantee's agreement that the Property shall be used as a Public Parking Garage open to the public as such no later three (3) years after the date hereof and continually thereafter (the "Fee Simple Determinable Condition").

The Fee Simple Determinable Condition shall continue from the date hereof until the date that is fifty (50) years thereafter, provided that Grantor shall have the right to extend the term for by filing an extension of the Fee Simple Determinable Condition in the Official Records of Hidalgo County, Texas.

In the event the Fee Simple Determinable Condition is violated by Grantee, title to the Property will automatically revert to and be owned by Grantor without the necessity of any further act on the part of Grantor. For purposes of the Fee Simple Determinable Condition, the following terms shall have the following meanings:

1. "Public Parking Facility" shall mean that the Property is used, in full or in part, as a parking facility containing no less than 225 parking spaces which are open to the public.
2. "Open to public" shall mean that such parking spaces are accessible by any member of the public on a 24 hour per day/365 day per year basis; provided that the Grantee shall be entitled to charge fees for such parking generally commensurate with the fees charged by other municipalities in the Hidalgo and Cameron Counties, Texas, for similar public parking facilities.

**Exhibit "D"**  
**Deed Restriction**

**The Deed shall contain the following restrictive covenant:**

**The Property shall be used solely as a Public Parking Facility for a period of fifty (50) years after the date hereof, unless such other use is approved by Grantor in writing.**