

**Performance Agreement between the Corpus Christi Business and Job Development
Corporation
and
Solid Rock Commercial Properties, Ltd.**

This Performance Agreement ("Agreement") is entered into on _____, 2014, by and between the Corpus Christi Business and Job Development Corporation ("Corporation") and Solid Rock Commercial Properties, Ltd. ("Developer").

WHEREAS, the Texas Legislature in Section 4A of Article 5190.6, Vernon's Texas Revised Civil Statutes (Development Corporation Act of 1979), now codified as Subtitle C1, Title 12, Texas Local Government Code, ("the Act"), empowered local communities with the ability to adopt an optional local sales and use tax as a means of improving the economic health and prosperity of their citizens;

WHEREAS, on November 5, 2002, residents of the City of Corpus Christi ("City") passed Proposition 2, New and Expanded Business Enterprises, which authorized the adoption of a sales and use tax for the promotion and development of new and expanded business enterprises at the rate of one-eighth of one percent to be imposed for 15 years;

WHEREAS, the 1/8th cent sales tax authorized by passage of Proposition 2 was subsequently enacted by the City Council and filed with the State Comptroller of Texas, effective April 1, 2003, to be administered by the Corpus Christi Business and Job Development Corporation Board;

WHEREAS, the Corpus Christi Business and Job Development Corporation exists for the purposes of encouraging and assisting entities in the creation of jobs for the citizens of Corpus Christi, Texas;

WHEREAS, the Board of Directors of the Corporation ("Board"), on October 18, 2010, amended the Corporation's Guidelines and Criteria for Granting Business Incentives ("Type A Guidelines"), which the City Council approved on November 9, 2010;

WHEREAS, the Act (particularly, Section 501.155, as amended, Texas Local Government Code) and its own bylaws authorize the Corporation to make a secured or unsecured loan to a user such as Developer, for the purpose of providing temporary or permanent financing, at terms deemed advisable by the Board, of all or a part of the cost of a project that will further the economic growth of the City through the creation of jobs;

WHEREAS, Section 501.073, as amended, Texas Local Government Code, requires the City Council to approve all programs and expenditures of the Corporation;

WHEREAS, Developer desires to develop the property described in Exhibit "A" (the Property"), including construction of an extension of Junior Beck Drive to Old Brownsville Road (the "Project"), in order to create local jobs;

WHEREAS, at Developer's request, Corporation agrees to make a loan to Developer in an amount up to \$1,497,000 (the "Loan") to fund the cost and expense of the Project, which Developer estimates will cost \$1,497,000 as shown in the Project Description, Exhibit "B" to the Agreement;

Whereas, Developer will secure the Loan with a guaranteed note to the Corporation, such obligation to be further secured by an approved letter of credit.

In consideration of the covenants, promises, and conditions stated in this Agreement, Corporation and Developer agree as follows:

1. *Effective Date.* The effective date of this Agreement (“Effective Date”) is the latest date that either party executes this Agreement.
2. *Term.* The term of this Agreement is for ten years beginning on the effective date.
3. *Loan.*
 - a. Subject to the terms of the Act, the voter approval, the Corporation’s articles of incorporation, bylaws, and guidelines, Corporation will loan at (so long as there exists no event of default, as specified in Section 10 hereof) zero percent (0.00%) interest to Developer up to the total sum of \$1,497,000 (which loan of funds represents the Loan). The Loan payments will be released after approval by Developer, the Board and the City and execution by the Developer and Board. Funding pursuant to this Loan shall not occur until after Developer’s execution of the attached Note, Exhibit “C” and the third party issuer execution of the attached Letter of Credit, Exhibit “D” in substantially similar form. The Note and other Loan documentation shall not contain any prepayment penalties. The amount of the Letter of Credit when issued or extended shall be in an amount of equal to the then current balance of the Loan on the date of the issuance or extension.
 - b. The project design and the design of all of the infrastructure improvements within the Property must meet City’s minimum design standards in compliance with the City’s Uniform Development Code and as outlined by the latest version of the City Infrastructure Design Manual issued by the City Engineer. The Developer must submit to the City’s Development Services Department road and utility designs, plans, and specifications, stamped and sealed by Developer’s Texas licensed and registered engineer. The Developer must obtain the City’s written authorization to proceed before beginning construction. Construction of the Project and all related improvements, infrastructure and Rights of Way that meet the above standards must be completed and conveyed to the City at no cost within one year of the Effective Date. Developer is responsible for paying City development permit fees and is solely responsible for all Project costs, utility construction, and cost overruns.
 - c. An annual payment will be due from the Developer every year on December 31st beginning on December 31, 2015. Each annual Loan payment will be in an amount of not less than one-ninth of the total Loan amount.
 - d. As a requirement for platting any of the Property adjacent to the newly constructed Project road, Developer will reimburse Corporation a percentage

of the total Loan based upon the road frontage of the platted property in comparison to total new road frontage within 60 days of the plat approval. The amount of the reimbursement will be credited towards the annual Loan payment. If there is a surplus, the surplus will be credited towards future year's Loan payments.

- e. If Developer sells all or the remainder of the Property, which sale must first be approved by the Corporation, the outstanding amount of the Loan will become due immediately unless the buyer succeeds to Developer's obligations under this Agreement (which succession shall be subject to approval by the Corporation in its sole discretion).
- f. Upon the end date of this Agreement, the outstanding amount of the Loan, if any, will be due immediately.

4. *Warranties.* Developer warrants and represents to Corporation the following:

- a. Developer is a partnership duly organized, validly existing, and in good standing under the laws of the State of Texas, has all power and authority to carry on its business as presently conducted in the City.
- b. Developer has the authority to enter into and perform, and will perform, the terms of this Agreement to the best of its ability.
- c. Developer has timely filed and will timely file all local, State, and Federal tax reports and returns required by laws to be filed and all Texas, assessments, fees, and other governmental charges, including applicable ad valorem taxes, have been timely paid, and will be timely paid, during the term of this Agreement.
- d. Developer has received a copy of the Act and the Ordinance of the City calling the election at which the imposition and collection of the sales tax, the proceeds from which will fund the Loan, and acknowledges that the funds loaned in this Agreement must be utilized solely for purposes authorized under State law, in accordance with the provisions, of the aforementioned election, and by the terms of this Agreement.
- e. The person executing this Agreement on behalf of Developer is duly authorized to execute this Agreement on behalf of Developer.
- f. Developer does not and agrees that it will not knowingly employ an undocumented worker. If, after receiving payments under this Agreement, Developer is convicted of a violation under §U.S.C. Section 1324a(f), Developer shall repay the payments received under this Agreement to the City, with interest at the Default Rate, not later than the 120th day after the date Developer has been notified of the violation.

5. *Compliance with Laws.* During the Term of this Agreement, Developer shall observe and obey all applicable laws, ordinances, regulations, and rules of the federal, state, county, and city governments.
6. *Non-Discrimination.* Developer covenants and agrees that Developer will not discriminate nor permit discrimination against any person or group of persons, with regard to employment and the provision of services at, on, or in the Facility, on the grounds of race, religion, national origin, marital status, sex, age, disability, or in any manner prohibited by the laws of the United States or the State of Texas.
7. *Force Majeure.* If the Corporation or Developer are prevented, wholly or in part, from fulfilling its obligations under this Agreement by reason of any act of God, unavoidable accident, acts of enemies, fires, floods, governmental restraint or regulation, other causes of force majeure, or by reason of circumstances beyond its control, then the obligations of the Corporation or Developer are temporarily suspended during continuation of the force majeure. If either party's obligation is affected by any of the causes of force majeure, the party affected shall promptly notify the other party in writing, giving full particulars of the force majeure as soon as possible after the occurrence of the cause or causes relied upon.
8. *Assignment.* Developer may not assign all or any part of its rights, privileges, or duties under this Agreement without the prior written approval of the Corporation and City. Any attempted assignment without approval is void, and constitutes a breach of this Agreement.
9. *Indemnity.* **Developer shall fully indemnify, defend, save, and hold harmless the Corporation, the City, their respective officers, employees, and agents ("Indemnitees") against all liability, damage, loss, claims demands, and actions of any kind on account of personal injuries (including, without limiting the foregoing, workers' compensation and death claims), or property loss or damage of any kind, which arise out of or are in any manner connected with, or are claimed to arise out of or be in any manner connected with Developer activities conducted under or incidental to this Agreement, including any injury, loss or damage caused by the sole or contributory negligence of any or all of the Indemnitees. Developer must, at its own expense, investigate all those claims and demands, attend to their settlement or other disposition, defend all actions based on those claims and demands with counsel satisfactory to Indemnitees, and pay all charges of attorneys and all other cost and expenses of any kind arising from the liability, damage, loss, claims, demands, or actions.**
10. *Events of Default by Developer.* The following events constitute a default of this Agreement by Developer:
 - a. The Corporation or City determines that any representation or warranty on behalf of Developer contained in this Agreement or in any financial statement, certificate, report, or opinion submitted to the Corporation in connection with this Agreement was incorrect or misleading in any material respect when made;

- b. Any judgment is assessed against Developer or any attachment or other levy against the property of Developer with respect to a claim remains unpaid, undischarged, or not dismissed for a period of 120 days; provided, however, if Developer diligently contests or appeals any such action and judgment, attachment or levy and as a result of such contest or appeal it does not adversely affect the Project, then it shall not be considered a default of this Agreement.
 - c. Developer makes an assignment for the benefit of creditors.
 - d. Developer files a petition in bankruptcy, or is adjudicated insolvent or bankrupt.
 - e. If taxes owed by Developer become delinquent, and Developer fails to timely and properly follow the legal procedures for protest or contest and the taxes constitute a lien against the property which is a part of the Project.
 - f. Developer changes the general character of business as conducted as of the date this Agreement is approved by the Corporation.
 - g. Developer fails to comply with one or more terms of this Agreement.
11. *Notice of Default; Default Interest.* Should the Corporation or City determine that Developer is in default according to the terms of this Agreement, the Corporation or City shall notify Developer in writing of the event of default and provide 60 days from the date of the notice (“Cure Period”) for Developer to cure the event of default. For so long as there exists a default (or an event of default has occurred), the unpaid Loan amounts shall bear interest at the Prime Rate published by the Wall Street Journal (the “Default Rate”).
12. *Results of Uncured Default by Developer.* After exhausting good faith attempts to address any default during the Cure Period, and taking into account any extenuating circumstances that might have occurred through no fault of Developer, as determined by the Board of Directors of the Corporation, the following actions must be taken for any default that remains uncured after the Cure Period.
- a. Developer shall immediately repay all funds paid by Corporation to them under this Agreement.
 - b. Developer shall pay Corporation reasonable attorney fees and costs of court to collect amounts due to Corporation if not immediately repaid upon demand from the Corporation.
 - c. Upon payment by Developer of all sums due, the Corporation and Developer shall have no further obligations to one another under this Agreement.
 - d. Neither the City, the Corporation, nor Developer may be held liable for any consequential damages.

13. *No Waiver.*
 - a. No waiver of any covenant or condition, or the breach of any covenant or condition of this Agreement, constitutes a waiver of any subsequent breach of the covenant or condition of the Agreement.
 - b. No waiver of any covenant or condition, or the breach of any covenant or condition of this Agreement, justifies or authorizes the nonobservance on any other occasion of the covenant or condition or any other covenant or condition of this Agreement.
 - c. Any waiver or indulgence of Developer's default may not be considered an estoppel against the Corporation.
 - d. It is expressly understood that if at any time Developer is in default in any of its conditions or covenants of this Agreement, the failure on the part of the Corporation to promptly avail itself of the rights and remedies that the Corporation may have, will not be considered a waiver on the part of the Corporation, but Corporation may at any time avail itself of the rights or remedies or elect to terminate this Agreement on account of the default.
14. Developer specifically agrees that Corporation shall only be liable to Developer for the actual amount of the money loaned to Developer, as specified in Section 3 hereof, and shall not be liable to Developer for any actual or consequential damages, direct or indirect, interest, attorney fees, or cost of court for any act of default by Corporation under the terms of this Agreement. Funding of the Loan by Corporation is strictly limited to those Corporation funds (i) not otherwise encumbered by any lien, pledge, or covenant granted by the Corporation as security or assurance of payment of Corporation's outstanding obligations (including bonded indebtedness); (ii) lawfully available to be used for such purpose, and (iii) so allocated, budgeted, and collected solely during the term of or otherwise available at the inception of this Agreement. Corporation shall use its best efforts to anticipate economic conditions and to budget accordingly. However, it is further understood and agreed that, should the actual amount of unencumbered sales tax revenue of the Corporation from which the Loan shall be made collected for any one year be less than the total amount to be paid to all contracting parties with Corporation for that year (other than those to whom payment if full of amounts at such time due and owing is guaranteed), then in that event, all such contracting parties shall receive only their pro rata share of the available sales tax revenue for that year, less Corporation's customary and usual costs and expenses, as compared to each contracting parties' amount for that year, and Corporation shall not be liable to for any deficiency at that time or at any time in the future. In this event, Corporation will provide all supporting documentation, as requested. Payments to be made shall also require a written request from Developer to be accompanied by all necessary supporting documentation.
15. The parties mutually agree and understand that funding under this Agreement is subject to annual appropriations by the City Council; that each fiscal year's funding

must be included in the budget for that year; and the funding is not effective until approved by the City Council.

16. *Notices.*

- a. Any required written notices shall be sent mailed, certified mail, postage prepaid, addressed as follows:

Developer: Solid Rock Commercial Properties, Ltd.
Attn: General Partner—Adriana Ortiz
102 Airport Road
Corpus Christi TX 78405

Cc: Raul Ortiz
6530 Lens
Corpus Christi, TX 78414

Corporation:
City of Corpus Christi
Business and Job Development Corporation
Attn.: President
1201 Leopard Street
Corpus Christi, Texas 78401

- b. A copy of all notices and correspondence must be sent the City at the following address:

City of Corpus Christi
Attn.: City Manager
P.O. Box 9277
Corpus Christi, Texas 78469-9277

- c. Notice is effective upon deposit in the United States mail in the manner provided above.

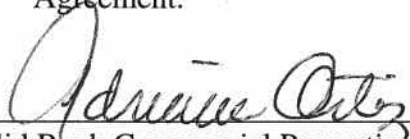
17. *Amendments or Modifications.* No amendments or modifications to this Agreement may be made, nor any provision waived, unless in writing signed by a person duly authorized to sign Agreements on behalf of each party.

18. *Relationship of Parties.* In performing this Agreement, both the Corporation and Developer will act in an individual capacity, and not as agents, representatives, employees, employers, partners, joint-venturers, or associates of one another. The employees or agents of either party may not be, nor be construed to be, the employees or agents of the other party for any purpose.

19. *Captions.* The captions in this Agreement are for convenience only and are not a part of this Agreement. The captions do not in any way limit or amplify the terms and provisions of this Agreement.

20. *Severability.*

- a. If for any reason, any section, paragraph, subdivision, clause, provision, phrase or word of this Agreement or the application of this Agreement to any person or circumstance is, to any extent, held illegal, invalid, or unenforceable under present or future law or by a final judgment of a court of competent jurisdiction, then the remainder of this Agreement, or the application of the term or provision to persons or circumstances other than those as to which it is held illegal, invalid, or unenforceable, will not be affected by the law or judgment, for it is the definite intent of the parties to this Agreement that every section, paragraph, subdivision, clause, provision, phrase, or word of this Agreement be given full force and effect for its purpose.
 - b. To the extent that any clause or provision is held illegal, invalid, or unenforceable under present or future law effective during the term of this Agreement, then the remainder of this Agreement is not affected by the law, and in lieu of any illegal, invalid, or unenforceable clause or provision, a clause or provision, as similar in terms to the illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable, will be added to this Agreement automatically.
21. *Venue.* Venue for any legal action related to this Agreement is in Nueces County, Texas.
22. *Sole Agreement.* This Agreement constitutes the sole Agreement between Corporation and Developer. Any prior Agreements, promises, negotiations, or representations, verbal or otherwise, not expressly stated in this Agreement, are of no force and effect.
23. *Survival of terms of Agreement and obligations of parties.* The terms of this Agreement and the obligation of the parties shall survive the termination of this Agreement.



 Solid Rock Commercial Properties, Ltd.

By: 

 Robert Tamez, Board Chair
 Corpus Christi Business and Job Development Corporation

 Approved as to Form
 Corporation Legal Counsel

EXHIBIT A
Property

See surveyor report starting on the next page.

47.543 ACRES TRACT OF LAND OUT LOTS 12 AND 13, SECTION NO. 5, RANGE VIII, GUGENHEIM & COHN'S FARM LOTS

Field notes of the survey of a 47.625 acres tract of land, being the remainder of a 66.8839 acres tract of land conveyed to Solid Rock Commercial Properties, Ltd. by Deed recorded in Clerk's File No. 2004040019 of the Official Public Records of Nueces County, Texas;

Said 47.543 acres tract being out of Lots 12 and 13, Section No. 5, Range VIII of the Gugenheim & Cohn's Farm Lots, recorded in Volume "A", Page 53 of the Map Records of Nueces County, Texas;

Said 47.543 acres tract is comprised of a portion of the E. Villareal Survey, Abstract 1, is located adjacent to and north of Old Brownsville Road, within the City of Corpus Christi, in Nueces County, Texas, and is described by metes and bounds as follows:

BEGINNING at a 5/8" iron rod found in a curve to the left in the northwest line of the 120-foot right-of-way of F. M. Highway 665, aka Old Brownsville Road, in the east line of said Lot 13, at the southwest corner of Lot 9A of the Brown-Lex Tracts subdivision, recorded in Volume 52, Page 130 of the Map Records of Nueces County, Texas; and the easterly southeast corner of said 66.8839 acres tract, for the easterly southeast corner of this tract;

Thence along said curve to the left, the northwest line of said F. M. Highway 665, the easterly southeast line of said 66.8839 acres tract, and the easterly southeast line of this tract, an arc distance of 257.53 feet (said curve having a radius of 5789.65 feet and a chord bearing S 46°24'51" W a distance of 257.51 feet) to a called concrete monument (not found) at an angle corner of said right-of-way, and an angle corner of said 66.8839 acres tract, for an angle corner of this tract;

Thence S 47°31'03" W along said northwest right-of-way line, the westerly southeast line of said 66.8839 acres tract and the westerly southeast line of this tract, a distance of 859.22 feet (called S48°58'31"W, 859.22') to a called 5/8" iron rod (not found) at the southeast corner of a 50-foot railroad right-of-way recorded in Volume 295, Page 499 of the Deed Records of Nueces County, Texas; at the most southerly corner of said 66.8839 acres tract, for the most southerly corner of this tract;

Thence N 30°42'10" W along the northeast line of said 50-foot right-of-way, the southwest line of said 66.8839 acres tract, and the southwest line of this tract, a distance of 1038.61 feet (called N29°15'14"W, 1038.68') to a 5/8" iron rod found in the east line of Tract 2 of the Margaret Kelly Lands, recorded in Volume 8, Page 40 of the Map Records of Nueces County, Texas; and the west line of said Lot 13, at the southwest corner of said 66.8839 acres tract, for the southwest corner of this tract;

Thence N 01°11'06" W (called N00°16'00"E) along the west line of said Tract 2, the east line of said Lots 13 and 12, the west line of said 66.8839 acres tract, and the west line of this tract, a distance of 1015.79 feet to a 5/8" iron rod with surveyor's cap stamped "R.P.L.S. 5874 set at the southwest corner of Lot 4, Block 5 of the Industrial Technology Park Unit 2 subdivision, also surveyed this date, whence a 5/8" iron with surveyor's cap stamped "R.P.L.S. 5874" found at the southwest corner of Lot 2, Block 5 of the Industrial Technology Park, Unit 2 subdivision, recorded in Volume 67, Page 502 of the Map Records of Nueces County, Texas; bears N 01°11'06" W a distance of 38.20 feet;

Thence N 89°09'35" E along the south line of said Lot 4, Block 5, and the westerly north line of this tract, a distance of 575.44 feet to a 5/8" iron rod with surveyor's cap stamped "R.P.L.S. 5874" set at the southeast corner of said Lot 4, Block 5, for an interior angle corner of this tract;

Thence N 01°10'07" W along the east line of said Lot 4, Block 5, and an interior west line of this tract, a distance of 38.20 feet to a 5/8" iron rod with surveyor's cap stamped "R.P.L.S. 5874" found at the southeast corner of said Lot 2, Block 5, and the southwest

corner of the 60-foot right-of-way of Junior Beck Drive, for an exterior angle corner of this tract;

Thence N 89°09'35" E along the south line of said Junior Beck Drive and the middle north line of this tract, a distance of 60.00 feet to a 5/8" iron rod with surveyor's cap stamped "R.P.L.S. 5874" found at the southwest corner of Lot 3, Block 4 of the Industrial Technology Park, Unit 2 subdivision, recorded in Volume 67, Page 679 of the Map Records of Nueces County, Texas; for an exterior angle corner of this tract;

Thence S 01°10'07" E along the east line of Junior Beck Drive, the west line of said Lot 3, Block 4, and an interior east line of this tract, a distance of 5.00 feet to a 5/8" iron rod with surveyor's cap stamped "R.P.L.S. 5874" found at the southwest corner of Lot 5, Block 4 of the Industrial Technology Park, Unit 2 subdivision, recorded in Volume 68, Page 138 of the Map Records of Nueces County, Texas, for an interior angle corner of this tract;

Thence N 89°09'35" E along the south line of said Lot 5, Block 4, and the easterly north line of this tract, a distance of 715.70 feet to a 5/8" iron rod with surveyor's cap stamped "R.P.L.S. 5874" found in the west line of Lot 9B of said Brown-Lex Tract, the east line of said Lot 12, and the east line of said 66.8839 acres tract, at the southeast corner of said Lot 5, Block 4, for the northeast corner of this tract;

Thence S 01°00'46" E along the west line of said Lot 9B, the east line of said Lots 12 and 13, the east line of said 66.8839 acres tract, and the east line of this tract, at approximately 174.1 feet pass the southwest corner of said Lot 9B and the northwest corner of said Lot 9A, in all a distance of 1203.87 feet to the **POINT OF BEGINNING**, containing 47.543 acres of land, more or less, subject to any and all easements and agreements of record.

Distances are at surface and bearings in this description are based on a GPS survey conducted in the Texas Coordinate System, South Zone, NAD1983, in US Feet, with a Combined Scale Factor of 0.99998371.

I, Michael J. MacInnis, Registered Professional Land Surveyor of Texas, do hereby state that this description represents an actual survey made on the ground, under my direction, to the best of my knowledge and ability, this the 20th day of May, 2014.



131003-47ac.doc

Texas Registration No. 5874

EXHIBIT B
Project Description

Solid Rock Commercial Properties, LLC will use the loan to extend Junior Beck Drive to Old Brownsville Road. Solid Rock will pay back the loan by either annual payments and/or a percentage of the loan as the properties are developed based on linear frontage to the road.

JUNIOR BECK DRIVE EXTENSION

From South End Existing To Old Brownsville Road (FM 665)

SUMMARY TABLE

	ESTIMATE	PROJECT BUDGET
STREET (TABLE A)	\$ 660,000.00	
ADA COMPLIANCE (TABLE B)	\$ 98,000.00	
STORM WATER IMPROVEMENTS (TABLE C)	\$ 403,000.00	
WASTEWATER IMPROVEMENTS (TABLE D)	\$ 470,000.00	
WATER SYSTEM IMPROVEMENTS (TABLE E)	\$ 219,000.00	
SUB-TOTAL	\$ 1,161,000.00	
15% CONSTRUCTION CONTINGENCIES	\$ 175,000.00	
SUB-TOTAL	\$ 1,336,000.00	
12% ENGINEERING SERVICES	\$ 161,000.00	
TOTAL	\$ 1,497,000.00	

NAISMITH ENGINEERING, INC.
TBPE FIRM REGISTRATION NO. F-000355



Gabriel Ortiz
12-12-2013

Table A

PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST

STREET IMPROVEMENTS - CONCRETE PAVEMENT SECTION

Description	Apprx Qty	Unit	Unit Price	Total Amount
7" JOINTED REINFORCED PAVEMENT	7,424	SY	\$ 60.00	\$ 445,433
SUBGRADE PREPARATION (6" MIN LIME TREATED)	8,975	SY	\$ 6.00	\$ 53,850
EXCAVATION AND EMBANKMENT (12" MIN)	8,975	SY	\$ 4.00	\$ 35,900
SITE FILL MATERIAL	2,407	CY	\$ 10.00	\$ 24,074
REFL PAV MARK TY1 (Y) (4") (SOLID)	3,490	LF	\$ 0.60	\$ 2,094
REFL PAV MARK TY1 (W) (4") (SOLID)	3,490	LF	\$ 0.60	\$ 2,094
REFL PAV MARK TY1 (Y) (4") (BROKEN)	875	LF	\$ 0.85	\$ 220
RAISED PAVEMENT MARKER, TYPE II-A-A	46	EA	\$ 6.00	\$ 274
RAISED PAVEMENT MARKER, TYPE II-B-B	3	EA	\$ 6.00	\$ 21
CONCRETE DRIVEWAY	0	SF	\$ 8.00	\$ -
SEEDING	2,714	SY	\$ 6.00	\$ 16,287
TRAFFIC CONTROL PLAN	1	LS	\$ 25,000.00	\$ 25,000
OZONE ACTION DAY	2	EA	\$ 1,500.00	\$ 3,000
STOP SIGN WITH 9 IN BLADES	1	EA	\$ 600.00	\$ 600
OTHER REGULATORY SIGNAGE	2	EA	\$ 500.00	\$ 1,000
MOBILIZATION	1	LS	\$ 50,000.00	\$ 50,000
SUB-TOTAL TABLE A				\$ 660,000

Table B
PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST

Description	Apprx Qty	Unit	Unit Price	Total Amount
5 FT CONCRETE SIDEWALK	17,950	SF	\$ 5.00	\$ 89,750
CONCRETE CURB RAMPS	2	EA	\$ 2,000.00	\$ 4,000
TYPE "C" CROSSWALK STRIPING (24")	100	LF	\$ 13.00	\$ 1,300
TYPE "C" CROSSWALK STRIPING (12")	320	LF	\$ 8.00	\$ 2,560
SUB-TOTAL TABLE B				\$ 98,000

Table C
PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST

STORM WATER IMPROVEMENTS	Apprx Qty	Unit	Unit Price	Total Amount
STD 5' CURB INLET	7	EA	\$ 3,500.00	\$ 24,430
CURB & GUTTER	3,590	LF	\$ 17.00	\$ 61,030
18" RCP	164	LF	\$ 90.00	\$ 14,760
24" RCP	1,745	LF	\$ 110.00	\$ 191,950
30" RCP	140	LF	\$ 130.00	\$ 18,200
SAFETY END TREAT (6:1) (30 IN)	4	EA	\$ 2,000.00	\$ 8,000
OUTFALL STRUCTURE	1	LS	\$ 4,000.00	\$ 4,000
TRENCH SAFETY FOR STORM WATER LINES	1,910	LF	\$ 6.00	\$ 11,460
ALLOWANCE FOR UNANTICIPATED UTILITY ADJUSTMENTS	1	LS	\$ 25,000.00	\$ 25,000
SILT FENCE	3,490	LF	\$ 10.00	\$ 34,900
ROCK FILTER DAM (TYPE 2)	20	LF	\$ 300.00	\$ 6,000
CONSTRUCTION EXIT	1	EA	\$ 3,000.00	\$ 3,000
SUB-TOTAL TABLE C				\$ 403,000

Table D

PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST

WASTEWATER IMPROVEMENTS

Description	Apprx Qty	Unit	Unit Price	Total Amount
8" PVC GRAVITY LINE (5-7 FT)	580	LF	\$ 100.00	\$ 58,000
8" PVC GRAVITY LINE (7-9 FT)	580	LF	\$ 110.00	\$ 63,800
8" PVC GRAVITY LINE (9-11 FT)	585	LF	\$ 120.00	\$ 70,200
4" PVC FORCE MAIN	400	LF	\$ 50.00	\$ 20,000
TRENCH SAFETY FOR WASTEWATER LINES	1,745	LF	\$ 6.00	\$ 10,470
4 FOOT DIA. FIBERGLASS MANHOLE (5-7 FT)	1	EA	\$ 8,000.00	\$ 8,000
4 FOOT DIA. FIBERGLASS MANHOLE (7-9 FT)	1	EA	\$ 9,000.00	\$ 9,000
4 FOOT DIA. FIBERGLASS MANHOLE (9-11 FT)	2	EA	\$ 11,000.00	\$ 22,000
TRENCH SAFETY FOR WASTEWATER MANHOLE	4	EA	\$ 500.00	\$ 2,000
SANITARY SEWER LIFT STATION (W/CITY SCADA)	1	EA	\$ 200,000.00	\$ 200,000
WASTEWATER SERVICE CONNECTIONS	2	EA	\$ 2,000.00	\$ 4,000
TIE-IN TO EXISTING SANITARY SEWER SYSTEM	1	EA	\$ 2,500.00	\$ 2,500
SUB-TOTAL TABLE D				\$ 470,000

Table E

PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST

WATER SYSTEM IMPROVEMENTS

Description	Apprx Qty	Unit	Unit Price	Total Amount
8" PVC WATERLINE	1,745	LF	\$ 70.00	\$ 122,150
TRENCH SAFETY FOR WATERLINES	1,745	LF	\$ 5.00	\$ 8,725
8" D.I.M.J. GATE VALVE	4	EA	\$ 1,500.00	\$ 6,000
CONNECTION TO EXISTING	2	EA	\$ 3,000.00	\$ 6,000
FIRE HYDRANT ASSEMBLIES	7	EA	\$ 7,000.00	\$ 47,717
WATER SERVICE CONNECTIONS	2	EA	\$ 1,500.00	\$ 3,000
ALLOWANCE FOR UNANTICIPATED UTILITY ADJUSTMENTS	1	LS	\$ 25,000.00	\$ 25,000
SUB-TOTAL TABLE E				\$ 219,000



J.F. Beck Dr, Corpus Christi, TX 78405, USA

Google earth

miles
km



2

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Google earth

© 2013 Google

EXHIBIT C

Promissory Note

Effective Date: _____, 2014

**Borrower and
Borrower's
Mailing Address:** Solid Rock Commercial Properties, Ltd.
General Partner—Adriana Ortiz
102 Airport Road
Corpus Christi, TX 78405

Cc: Raul Ortiz
6530 Lens
Corpus Christi, TX 78414

Lender: Corpus Christi Business and Job Development Corporation, a Texas
development corporation

Place for Payment:
City of Corpus Christi ("City")
Attn.: Finance Director
P.O. Box 9277
Corpus Christi, Texas 78469-9277

Principal Amount: \$1,497,000, unless Lender advanced a lesser amount to Borrower pursuant to
the Terms of Payment clause, in which case the Principal Amount will be the
lesser amount that was actually advanced to Borrower.

Annual Interest Rate: 0% assuming no default

Maturity Date: December 31, 2023

Terms of Payment: Lender will loan to Borrower the total sum of not to exceed
\$1,497,000 (the Loan"). The Loan proceeds are advanced under the agreement by
Borrower after approval and execution by all parties. The Borrower agrees that the
Project designs must meet City design standards in compliance with the City's
Uniform Development Code and as outlined by the latest version of the City
Infrastructure Design Manual issued by the City Engineer. Construction of the
Project and all related improvements, infrastructure and Rights of Way must be
completed and conveyed to the City after final approval by the City at no cost to the
City within one year of the Effective Date. Borrower is responsible for City
development permit fees and other project costs. Borrower promises to pay annually
to Lender not less than one-ninth of the total Loan amount to the Lender (plus any
accrued but unpaid interest), beginning on December 31, 2015 and continuing on
December 31st in each year thereafter until the Loan is fully repaid. As a
requirement for platting any property adjacent to the newly constructed Project, as
described further in Exhibit "B" to the Performance Agreement between the City of

Corpus Christi Business and Job Development Corporation and Solid Rock Commercial Properties, Ltd., dated as of _____, 2014 (the "Performance Contract"), Borrower will repay Lender a percentage of the total Loan amount based upon the road frontage of the platted property in comparison to total new road frontage within 60 days of plat approval. The amount of the repayment will be credited towards the amount of the next occurring annual Loan payment(s). If there is a surplus, the surplus will be credited towards future year's Loan payments.

If Developer sells all or the remainder of the property described in Exhibit "A" to the Performance Contract, which sale must first be approved by Lender, the outstanding Loan balance will become due immediately unless the buyer succeeds to Borrower's obligations under this Note (and such succession is approved by Lender). Any portion of the Loan that remains unpaid on the Maturity Date identified above shall immediately become due and payable on such date.

Security for Payment: This note is to be secured by a letter of credit, in substantially similar form as Exhibit "D" attached to the Performance Contract.

Unconditional Promise to Pay: Borrower promises to pay to the order of Lender the Principal Amount, and any interest due on such unpaid amounts, and in strict compliance with the terms and provisions of this Note and the Performance Contract. This Note is payable at the Place for Payment and according to the Terms of Payment. All payments made pursuant to this Note shall be made in immediately available funds, without offset, in lawful money of the United States of America. Borrower is and shall be obligated to pay all principal and any and all other amounts which become payable under this Note, the Performance Contract, or any other loan document, absolutely and unconditionally and without any abatement, postponement, diminution or deduction whatsoever and without any reduction for any counterclaim or setoff whatsoever.

Default: If Borrower defaults in the payment of this Note or defaults in the performance of any obligation herein in the Performance Contract or in any instrument securing or collateralizing this Note and subject to the notification provisions set forth below, Lender may declare the unpaid principal balance owed on the Note immediately due. Except for the requirement set forth in the notification provision below, Borrower and each surety, endorser, guarantor, and other party ever liable for payment of any sum payable on the Note, jointly and severally, waive any and all notice, presentment, demand for payment, protest, notice of protest and non-payment or dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, diligence in collecting, grace, and other formalities of any kind, and consent to all extensions without notice for any period or periods of time and partial payments, before or after maturity, and any impairment of any collateral securing this Note, all without prejudice to the Lender. The Lender shall similarly have the right to deal in any way, at any time, with one or more Borrower without notice to any other Borrower, and to grant any Borrower any extensions of time for payment of any payment or obligations of this note, or to release or substitute part or all of the collateral securing this Note, or to grant any other indulgences or forbearances whatsoever, without notice to any other Borrower and without in any way affecting the personal liability of any other Borrower. After the occurrence and during the continuance of an event of default, amounts owed on this shall bear interest at the Default Rate, as provided and in accordance with the Performance Contract, and shall be due and payable upon demand by Lender.

In the event of a default by Borrower pursuant to the terms of this Note, the Performance Contract or any other instrument securing or collateral to this Note, Lender shall notify Borrower of the

default in writing which specifically describes the default. If Borrower fails to fully secure the default within 60 days of Borrower's receipt of the notification of default, at Lender's option, Lender may declare the full unpaid balance of the debt evidenced by this Note to be immediately due and payable.

Each Borrower waives (a) diligence in preserving liability of any other Borrower and in collecting or bringing suit to collect the debt evidenced by this Note; (b) all rights under chapter 43 of the Texas Civil Practice and Remedies Code, rule 31 of the Texas Rules of Civil Procedure, section 17.001 of the Texas Civil Practice and Remedies Code, and sections 51.003, 51.004, and 51.005 of the Texas Property Code; (c) protest; (d) notice of extensions, increases, renewals, or rearrangements of the debt evidenced by this note; and (e) notice of failure to pay the note as it matures, of any other default, of adverse change in any Borrower's financial condition, of release or substitution of collateral, of intent to accelerate, of acceleration, and of subordination of Lender's rights in any collateral, and every other notice of every kind. The Borrower's obligations under this Note will not be altered nor will Lender be liable to the Borrower because of any action or inaction of Lender in regard to a matter waived or of which notice is waived by Borrower in the preceding sentence.

Borrower also promises to pay Lender's reasonable attorney's fees and court and other costs if this Note is placed in the hands of an attorney to collect or enforce the Note. These expenses will bear interest from the date of advance at the Default Rate. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any Note Collateral identified above under Security for Payment.

This Note is executed and delivered incident to a lending transaction negotiated and consummated in Nueces County, Texas and shall be governed by and construed in accordance with the laws of the State of Texas. The Borrower, for itself and successors and assigns, hereby irrevocably: (i) submits to the jurisdiction of the state and federal courts in Texas; and (ii) agrees that exclusive jurisdiction for any legal proceeding related to or arising from this note or any other instrument related to this note shall be in the district courts in and for Nueces County, Texas or the United States District Court for the Southern District of Texas, Corpus Christi Division, except as is necessary by Lender to enforce Lender's rights as to collateral located within another jurisdiction.

Each Borrower (if more than one) shall be jointly and severally liable for obligations of Borrower pursuant to this Note. Each Borrower acknowledges and agrees that such Borrower has or is receiving a direct benefit from this note and shall be liable for payment of the full amount of this Note, including reasonable attorney's fees, without any requirement that Lender institute suit against or pursue any other Borrower or foreclose upon or attempt to collect from any security or collateral for this Note. Each Borrower is fully responsible for all obligations required by this note.

Miscellaneous: Notices to Borrower shall be made to either party at the following address or the address of a Borrower's agent for service of process:

Dollars in this note means United States Dollars.

When the context requires, singular nouns and pronouns include the plural.

Capitalized terms used herein without definition shall have the meaning ascribed thereto in the Performance Contract.

INDEMNIFICATION: BORROWER SHALL PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS LENDER, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS FROM AND AGAINST ANY AND ALL LOSS, DAMAGE, COST, EXPENSE OR LIABILITY (INCLUDING ATTORNEYS' FEES AND COSTS) DIRECTLY OR INDIRECTLY ARISING OUT OF OR ATTRIBUTABLE TO, WITH RESPECT TO THE PRODUCT, ANY DEVELOPMENT, CONSTRUCTION, USE OR PLACEMENT INTO SERVICE AFTER THE DATE OF THIS NOTE, INCLUDING WITHOUT LIMITATION ALL UNFORESEEABLE OR FORESEEABLE CONSEQUENTIAL OR INCONSEQUENTIAL DAMAGE. THIS INDEMNITY SHALL SURVIVE THE TERM OF THE LOAN AND THE RELEASE OF THE LIENS SECURING IT OR THE EXTINGUISHMENT OF THE LIENS BY FORECLOSURE OR ACTION IN LIEU THEROF, OR MERGER BY CONVEYANCE TO LENDER, AND THIS COVENANT SHALL SURVIVE SUCH RELEASE OR EXTINGUISHMENT OR MERGER.

ENTIRE AGREEMENT: THIS NOTE AND OTHER LOAN DOCUMENTS, INCLUDING THE PERFORMANCE AGREEMENT, CONTAIN THE FINAL, ENTIRE AGREEMENT BETWEEN THE PARTIES AND THIS NOTE, THE PERFORMANCE CONTRACT, AND OTHER LOAN DOCUMENTS MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGEEMENTS AMONG THE PARTIES.

Executed, delivered and effective this ____ day of _____, 2014 in Corpus Christi, Nueces County, Texas.



Solid Rock Commercial Properties, Ltd.

By: 

EXHIBIT D

Letter of Credit

See letter of credit starting on the next page.

Kleberg Bank

Since 1905

www.klebergbank.com

100 East Kleberg Avenue
P.O. Drawer 911
Kingsville, Texas 78364-0911
361-592-8501
Fax 361-593-1500

4211 Ayers Street
P.O. Box 7669
Corpus Christi, Texas 78467-7669
361-850-6800
Fax 361-850-6887

FINANCE DEPARTMENT
2014 JUN -9 PM 2:56

ISSUER: Kleberg Bank, N.A.
P.O. Box 7669
Corpus Christi, TX 78467-7696

IRREVOCABLE LETTER OF CREDIT NO: 602151-0301

DATE: 06/04/2014

BENEFICIARY:
City of Corpus Christi
P.O. Box 9277
Corpus Christi, Texas 78469-9277
Attn: Regional Economic Development Center

APPLICANT:
Solid Rock Commercial Properties, Ltd.
102 Airport Road
Corpus Christi, Texas 78404
Attn: Mrs. Adriana Ortiz, General Partner

AMOUNT: \$1,497,000.00

EXPIRATION: 06-04-2019

Dear Sir or Madam:

We hereby establish our irrevocable letter of credit ("Irrevocable Letter of Credit") in favor of the City of Corpus Christi ("Beneficiary") for the account of Solid Rock Commercial Properties, Ltd., acting by and through its authorized agent, General Partner, Adriana Ortiz, ("Applicant"), authorizing The City of Corpus Christi to draw on Kleberg Bank located in Corpus Christi, Texas ("Issuer") the amount of \$1,497,000.00, under Solid Rock Commercial Properties, Ltd. draft bearing the clause "Drawn under Kleberg Bank Irrevocable Letter of Credit No. 602151-0301, dated 06/04/2014 and accompanied by all of the following documents:

- 1) The original of this Irrevocable Letter of Credit; and
- 2) The sworn affidavit of the City of Corpus Christi's City Manager, or any Assistant City Manager, Interim City Manager or Interim Assistant City Manager, or Acting City Manager or Acting Assistant City Manager, or the designee of each. The signature of such official claiming such title together with title designation on the draw demand

RECEIVED

JUN 09 2014

MANAGEMENT & BUDGET

- 3) shall be conclusive on the issuer without further exemplification or other proof of identity or title and further stating as follows:

“That Solid Rock Commercial Properties, Ltd. has not installed the required improvements or vacated the plat of the extension of Junior Beck Drive to Old Brownsville Road (the “Project”) as required by its Performance Agreement with the City of Corpus Christi, the Beneficiary, within the time period allowed.”

Or “That Solid Rock Commercial Properties, Ltd. has not fulfilled its payment obligations under Section 3 “Loan.” of its Performance Agreement with the City of Corpus Christi, the Beneficiary, within the time period and conditions therein.”

This Irrevocable Letter of Credit guarantees the obligations of the Applicant to the Beneficiary as provided in the Performance Agreement.

Partial drawings are not permitted under this Irrevocable Letter of Credit.

This Irrevocable Letter of Credit is not transferable.

Issuer hereby agrees with Beneficiary that upon presentment on or before 5 o’clock p.m. (CDT), Corpus Christi, Texas, local time no later than 06/04/2019, that drafts drawn under and in compliance with the terms of this Irrevocable Letter of Credit, Issuer will duly honor this Irrevocable Letter of Credit.

This Irrevocable Letter of Credit is guaranteed for 5 years from the date of issuance and it will be automatically extended, without amendments, for additional periods of one year, and at one year intervals thereafter unless: (1) at least 90 days prior to 06/04/2019, Issuer notifies Beneficiary in writing by Certified Mail at the above address that Issuer has elected not to renew this Irrevocable Letter of Credit; or (2) at least 90 days prior to 06/04/2019, Beneficiary through any of the individuals named above notifies Issuer in writing by Certified Mail at the above address that Issuer has elected not to renew the Irrevocable Letter of Credit.

If the expiration date is extended, Issuer shall send notice of the automatic extension to Beneficiary at least 30 days prior to expiration of the then current Irrevocable Letter of Credit. Failure to receive the automatic extension or a substitute Irrevocable Letter of Credit constitutes a default upon which the then current Irrevocable Letter of Credit may be called in its entirety, even though not stated above as a specific event or default. Beneficiary also agrees to surrender this Irrevocable Letter of Credit to Issuer for cancellation promptly on or after the expiration date, or if applicable, the extended expiration date.

This Irrevocable Letter of Credit sets forth in full the terms of the Issuers’ undertaking and such undertaking must not in any way be modified, amended, or amplified by reference to any document, instrument or agreement referred to herein, or in which this Irrevocable Letter of Credit is referred to or to which it relates, and any such reference is not deemed to incorporate

herein by reference any document, instrument, or agreement Issuer is not a part to, or bound by the terms of any agreement between Beneficiary and Applicant. Furthermore, this Irrevocable Letter of Credit cannot be amended except with the written concurrence of Issuer, the Applicant, and Beneficiary.

This Irrevocable Letter of Credit is subject to and governed by the Institute for International Banking Law and Practice's International Standby Practices 1998, ICC Publication No. 590, to the extent not inconsistent with the laws of the State of Texas and more particularly with the provisions of Chapter 5 of the Texas Business and Commerce Code currently in effect.

Sincerely,

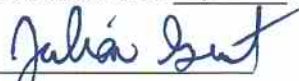
KLEBERG BANK, N.A.

By: 

Print Name: SAMUEL S. LOHMEIER

Title: ASSISTANT VICE PRESIDENT

Approved as to form this 9th day of June, 2014

X 
Assistant City Attorney
City of Corpus Christi

Approved as to form this 9th day of JUNE, 2014

X 
Director of Finance