

Real Estate Sales Contract

This Contract is entered into by **CALALLEN RETAIL PARTNERS LP**, herein called **"Seller"** and the **CITY OF CORPUS CHRISTI**, a Texas home rule municipal corporation, P.O. Box 9277, Corpus Christi, Nueces County, Texas 78469-9277 herein called **"Buyer"**.

1. **Property.** For the consideration and under the terms set out herein, Seller agrees to convey to Buyer, and Buyer agrees to purchase from Seller, the fee simple interest in the surface estate to the tract of land described below situated in Nueces County, Texas (the **"Land"**), together with all rights, titles and interests of Seller (if any) in and to all rights, privileges, and appurtenances pertaining to such tract (the Land and such additional interests of Seller being referred to herein together as the **"Property"**):

NCAD Property ID: 514878

Legal Description: NUECES RIVER IRRIGATION PK BLK 2 LOT 24

Common Address: 3802 FM 1889

Corpus Christi, Texas 78410

2. **Purchase Price.** At closing, Buyer agrees to pay **\$525,000.00** cash (the **"Purchase Price"**) to Seller.
3. **Title Insurance.** At closing, Seller shall pay the premium for a standard form owner policy of title insurance covering the Land that guarantees good and indefeasible title to the Land, without exceptions to title other than the standard printed exceptions and other title exceptions disclosed to Buyer prior to the expiration of the Inspection Period (as defined below). Laredo Title and Abstract, 415 Shiloh Dr., Suite 203, Laredo TX 78045, Attn: Leticia Martinez or another title company approved by Buyer and Seller (**"Title Company"**) must issue the title insurance policy on a title insurance underwriter reasonably acceptable to Buyer. The title commitment for title insurance must be delivered by the Title Company to Buyer within 30 days after receipt of this Contract by the Title Company, with the title insurance policy to be timely issued after Closing. Buyer shall pay for any modifications or endorsements requested by Buyer to such standard form owner title insurance policy.
4. **Warranty Deed and Closing Costs.** At Closing, Seller must execute and deliver a Special Warranty Deed, in substantially the form attached hereto as **Exhibit A**, that conveys indefeasible title to the Property to Buyer, and Buyer must make the cash payment to Seller. Buyer will pay one-half of the Title Company's reasonable escrow fee, document preparation fees, and recording fees. Seller will pay any costs to cure title (to the extent Seller agrees to cure title) and one-half of the Title Company's reasonable escrow fee. At Closing, Seller must convey the Property with no liens, past due-assessments, or any security interests against the Property; and with no persons in possession on any part of the Property as tenants, lessees, or tenants at sufferance, or

trespassers.

5. **Property Taxes.** Seller must pay all property taxes incurred on the Property up to and including 2024. All property taxes for the year 2025, if any due and payable or incurred for the year, will be prorated between the Buyer and the Seller from January 1, 2025, as of the date of Closing (with Seller being responsible for such taxes from January 1, 2025 through the day immediately prior to the date of Closing and Buyer being responsible for such taxes on and after the date of Closing). The prorated taxes are only an estimate indicated by a Tax Certificate obtained by the Title Company, and the Seller and Buyer agree to adjust such proration between them within 30 days of demand following receipt of the actual taxes for the year 2025. Such obligation shall survive the Closing. If requested by either party, Seller and Buyer shall promptly execute a Tax Proration Agreement expressly stating this agreement.

6. **Earnest Money; Remedies.** On or before 3 business days after the Effective Date, Buyer shall deposit \$5,000.00 with the Title Company as Earnest Money, which will be applied to the Purchase Price at Closing; Buyer will pay the balance of the Purchase Price owing at Closing. \$500.00 of the Earnest Money (the “**Independent Consideration**”) is independent consideration for Buyer’s right of termination in Section 9 and is in all events non-refundable to Buyer, and shall be delivered to Seller upon the closing or termination of this Contract.

When the Title Company possesses the executed Special Warranty Deed, any other necessary paperwork, and the balance of the cash payment, the Title Company will close and finalize the conveyance in accordance with its customary procedure.

If Buyer fails to Close on this Contract as set out herein, or otherwise breaches this Contract, and such failure or breach remains uncured for 5 business days after written notice from Seller, Seller may terminate this Contract and in which event the Earnest Money shall be delivered to Seller as liquidated damages for breach of this Contract, or Seller may seek to enforce this Contract by an action for specific performance provided that such action is filed (and service of process requested) within 30 days after the scheduled date for Closing. If Seller fails to tender an executed Special Warranty Deed conveying the Property in accordance with the terms of this Contract, or otherwise breaches this Contract, and such failure or breach remains uncured for 5 business days after written notice from Buyer, Buyer may as its sole and exclusive remedies terminate this Contract by written notice to Seller and receive the return of the Earnest Money (other than the Independent Consideration) or seek to enforce this Contract by an action for specific performance provided that such action is filed (and service of process requested) within 30 days after the date set for Closing. The remedies in this paragraph do not preclude an action for damages under Section 9a or Section 12.

7. **Time for Performance.** The closing of this transaction (the “**Closing**”) will occur and be completed through the Title Company on or before 2:00 PM Central Time on the day which is 90 days after the Effective Date of this Contract. At Closing, Seller shall execute and deliver a Special Warranty Deed in substantially the form attached as **Exhibit A** and a Non-Foreign Person Certificate.

Seller's execution of this Contract means that Seller has read and understands that this Contract is not binding on Buyer until approved and accepted by the City of Corpus Christi City Council, if required, and executed by the City Manager of the City of Corpus Christi, Texas, or his designee. Execution of this Contract by the City Manager of the City of Corpus Christi, Texas, or his designee, and delivery thereof to Seller shall be conclusive evidence that this Contract has been approved and accepted by the City of Corpus Christi Council, if required.

8. **Survives Closing.** Buyer's obligations in Section 9a shall survive the Closing or termination of this Contract, and the warranties and representations in Section 12 shall survive the Closing for a period of 2 years and 1 day.
9. **Inspection Period.** Buyer shall have until 5:00 PM Central Time on the day which is 60 days from the Effective Date (the "**Inspection Period**") to notify Seller of Buyer's election, in Buyer's sole discretion, to cancel this Contract and receive a refund of the Earnest Money (other than the Independent Consideration) in the event that Buyer finds the Property to be unacceptable for any reason. Buyer shall have reasonable access to the Land during all normal business hours during the Inspection Period and thereafter until the Closing or termination of this Contract, and Seller agrees to cooperate with and assist Buyer in Buyer's inspection of the Property provided that Seller shall not be obligated to incur any expense or liability. Failure of Buyer to deliver to Seller, prior to the expiration of the Inspection Period, written notice of Buyer's determination that the Property is unacceptable and to terminate this Contract shall constitute an election by Buyer to proceed with this Contract and a waiver of Buyer's right to terminate this Contract pursuant to this Section 9.

a. Right of Entry.

(1) During the Inspection Period and thereafter until the Closing or termination of this Contract, and at Buyer's sole expense, Buyer or Buyer's authorized agents shall have the right to enter upon the Land for purposes of making such land surveys, environmental site analysis, engineering studies, wetland studies, soil borings and soil analysis as Buyer may deem necessary, provided that Buyer shall not conduct or authorize the conduct of a Phase II Environmental Site Assessment of the Land without the prior written consent of Seller. Buyer shall not cause or permit damage or injury to the Property. Upon termination of this Contract, Buyer shall promptly restore the Land to the condition existing prior to any tests or studies conducted pursuant to this Contract. This obligation shall survive the termination of this Contract, notwithstanding anything to the contrary contained herein. Seller shall make available for Buyer's inspection and copying within 10 days from the Effective Date all environmental and/or geophysical reports, studies and tests in Seller's possession with respect to the Land (all without any warranty, express or implied, by Seller as to the accuracy or completeness of any such report, study or test).

(2) In connection with Buyer's inspections, studies, and assessments, Buyer must: (i) employ only trained and qualified inspectors and assessors; (ii) notify Seller, in

advance, of when the inspectors or assessors will be on the Land; (iii) abide by any reasonable entry rules or requirements that Seller may require; (iv) not interfere with existing operations or occupants of the Land; (v) restore the Land to its original condition (at no cost or expense to Seller) if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed; and (vi) cause all inspectors, assessors, agents and consultants entering onto the Land to carry commercial general liability insurance with coverage limits of not less than \$1,000,000 per occurrence, \$2,000,000 aggregate, which names Seller as an additional insured as to the Property.

(3) Buyer agrees to hold harmless Seller, its partners and agents from all claims, causes of action, costs, losses, liens, damages and reasonable attorneys' fees arising out of or in connection with the Buyer's entries on and inspections of the Property, **unless and to the extent caused by the gross negligence or intentional misconduct of any of such indemnities (SUCH HOLD HARMLESS OBLIGATION OF BUYER INCLUDES THE ORDINARY NEGLIGENCE OF ANY OF THE INDEMNITIES).**

b. Environmental Condition of Property.

Definitions.

"*Environmental Law*" shall mean any law relating to environmental conditions and industrial hygiene applicable to the Property, including without limitation, the Resource Conservation and Recovery Act of 1976, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, the Federal Water Pollution Control Act, the Clear Air Act, the Clear Water Act, the Toxic Substances Control Act, the Endangered Species Act, the Safe Drinking Water Act, the Texas Water Code, the Texas Solid Waste Disposal Act, and all similar applicable federal, state and local environmental statutes, ordinances and the regulations, orders and decrees now or hereafter promulgated thereunder.

"*Hazardous Materials*" shall mean any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, or oil as defined in any Environmental Law existing as of the date hereof.

Environmental Audit. Buyer shall have the right during the Inspection Period to cause an independent environmental consultant chosen by Buyer, in Buyer's sole discretion, to inspect the Property, including but not limited to an Environmental Site Analysis (ESA) Phase I and (subject to obtaining Seller's prior written approval thereof) ESA Phase II, to determine the condition of the Property, the presence of any Hazardous Materials and any apparent violation of any Environmental Law (the "*Environmental Audit*") and to deliver a report describing the findings and conclusions of the Environmental Audit. The cost and expense of the Environmental Audit shall be borne by Buyer. If at any time prior to the expiration of the Inspection Period, the Environmental Audit reveals or Buyer otherwise becomes aware of, the existence of any environmental condition or violation of any Environmental Law which Buyer is unwilling to accept or the Seller is unwilling to

cure, Buyer shall have the right and option to cancel this Contract by giving written notice thereof to Seller prior to the expiration of the Inspection Period, in which event Buyer shall receive a full return of the Earnest Money (other than the Independent Consideration).

10. **Broker Commission.** Seller is responsible for payment of all broker's fees and commissions incurred by Seller pursuant to a written agreement in connection with this transaction.
11. **Possession.** At the Closing, the Property will be conveyed free of the rights of possession of any third parties in or to the Property except for valid easements, if any, filed of record and currently in force and effect.
12. **Representations and Warranties.**

a. By Seller. In order to induce Buyer to enter into this Contract, Seller makes the following representations and warranties as of the Effective Date:

- (1) *Authority; No Conflict.* Seller has the absolute and unrestricted right, power and authority to execute and deliver this Contract and the documents to be executed and delivered by Seller in connection with the closing of the transactions described in this Contract (such documents being collectively referred to herein as "**Seller's Closing Documents**") and to perform its obligations under this Contract and the Seller's Closing Documents. Seller shall present to the Buyer and/or the Title Company, if necessary, all reasonable evidence of such authority which may be requested by either of them. The execution and delivery of this Contract and Seller's Closing Documents, the consummation of the transactions described herein, and compliance with the terms of this Contract will not conflict with, or constitute a default under, any agreement to which Seller is a party or by which Seller or the Property is bound, or to Seller's Knowledge (as defined below) violate any regulation, law, court order, judgment, or decree applicable to Seller or the Property, except as otherwise expressly provided herein.
- (2) *No Litigation or Proceedings.* To Seller's Knowledge, there is no pending or threatened litigation, condemnation, or assessment affecting the Property.
- (3) *Environmental Representations.* Except as may be revealed in any Environmental Audit delivered to or obtained by Buyer, to Seller's Knowledge the Land does not contain any Hazardous Materials (as defined in Section 10(b)) in violation of applicable Environmental Laws, the Land does not contain any underground storage tanks, and the Land is in compliance with all applicable Environmental Laws (as defined in Section 10(b)).
- (4) *Title to Property.* To Seller's Knowledge, Seller has good and indefeasible fee simple title to the Land, subject only to the liens and encumbrances, if any,

disclosed on any title commitment or survey furnished to or obtained by Buyer.

- (5) *No Options.* No person, corporation, or other entity has any right or option to acquire the Land from Seller.
- (6) *Compliance.* To Seller's Knowledge, Seller has not received any notice from any governmental agency regarding the Seller's or the Property's non-compliance with applicable laws, ordinances, regulations, statutes, rules and restrictions relating to the Property.

Seller's Knowledge As used herein "**Seller's Knowledge**" means the current, actual knowledge of Pat Murphy, Vice President of the general partner of Seller, without duty of inquiry or investigation and without personal liability of or on such individual.

If prior to the Closing or earlier termination of this Contract, Seller obtains Seller's Knowledge that any of the above warranties and representations of Seller is not true in any material respect, Seller will promptly disclose such new information to Buyer. At Closing, Seller shall be deemed to have restated such warranties and representations subject to any such disclosure by Seller to Buyer, and also subject to any contrary information obtained by Buyer prior to the expiration of the Inspection Period.

b. *By Buyer.* In order to induce Seller to enter into this Contract, Buyer makes the following representations and warranties as of the Effective Date:

- (1) *Authority; No Conflict.* Buyer has obtained all required approvals and has the absolute and unrestricted right, power and authority to execute and deliver this Contract and the documents to be executed and delivered by Buyer in connection with the closing of the transactions described in this Contract (such documents being collectively referred to herein as "**Buyer's Closing Documents**") and to perform its obligations under this Contract and the Buyer's Closing Documents. Buyer shall present to the Seller and/or the Title Company, if necessary, all reasonable evidence of such authority which may be requested by either of them. The execution and delivery of this Contract and Buyer's Closing Documents, the consummation of the transactions described herein, and compliance with the terms of this Contract will not conflict with, or constitute a default under, any agreement to which Buyer is a party or by which Buyer is bound, or to Buyer's knowledge, violate any regulation, law, court order, judgment, or decree applicable to Buyer.
- (2) *No Broker.* Buyer has not been represented by any broker or real estate agent, and Buyer has not incurred any broker's fees or commissions, in connection with this Contract.

If prior to the Closing or earlier termination of this Contract, Buyer obtains knowledge that any of the above warranties and representations of Buyer is

not true in any material respect, Buyer will promptly disclose such new information to ~~Buyer~~^{Seller}. At Closing, Buyer shall be deemed to have restated such warranties and representations subject to any such disclosure by Buyer to Seller.

13. **Time of the Essence.** Time is of the essence with respect to all matters in this Contract. If any date or deadline under this Contract falls on a Saturday, Sunday or a legal holiday, such date or deadline shall be deemed extended to the next day which is not a Saturday, Sunday or a legal holiday.
14. **Effective Date.** The “Effective Date” of this Real Estate Sales Contract is the date on which this Contract has been signed by both Seller and Buyer.
15. **Notices.** All Notices between the parties under this contract must be in writing and are effective on the first to occur of actual receipt or 3 days after being deposited for mail by certified mail, return receipt requested, to the following:

To Seller:

Calallen Retail Partners LP
Attn: Pat Murphy
9901 McPherson Rd, Ste 201
Laredo, Texas 78045-6399

With a copy to:

Schlanger Silver LLP
Attn: Louis E. Silver
109 N. Post Lane, Suite 300
Houston, Texas 77024

To Buyer:

City of Corpus Christi
Attn: Director of Engineering Services
P.O. Box 9277
Corpus Christi, Texas 78469-9277

16. **Counterparts:** Multiple original copies of this contract may be executed, and the execution of this contract may be through the execution by the parties of separate counterparts. All of the original copies of this contract together shall constitute one agreement, binding on all of the parties hereto notwithstanding that the parties hereto may or may not be signatories to the same counterpart. Each of the undersigned parties authorizes the assembly of one or more original copies of this contract, such that each such original copy of this contract shall consist of (i) the body of this contract and (ii) counterpart signature pages and acknowledgment pages which collectively include all of the signatures and acknowledgments of the parties hereto. Each such contract shall constitute one original of this contract.

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

17. **Applicable Law; Venue.** This Contract is governed by the laws of the State of Texas (without regarding to its conflicts of law principles). In the event of any dispute arising out of this Contract, sole venue shall like in courts of applicable jurisdiction sitting in Nueces County, Texas.

SELLER

**CALLEN RETAIL PARTNERS, L.P.,
a Texas limited partnership**

By: San Isidro Management, L.C., a Texas limited liability company,
its general partner

By:  _____

Printed Name: Pat Murphy

Title: Vice President

Date: February 25, 2025

BUYER

CITY OF CORPUS CHRISTI, TEXAS

Jeff H. Edmonds, P.E.
Director of Engineering Services

APPROVED AS TO LEGAL FORM FOR THE CITY ATTORNEY

Janet Whitehead, Assistant City Attorney

EXHIBIT A

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

Date:

Grantor: Calallen Retail Partners L.P.

Grantor's Mailing Address:

9901 McPherson Rd, Ste 201
Laredo, Texas 78045-6399

Grantee: City of Corpus Christi

Grantee's Mailing Address:

PO Box 9277
Corpus Christi, Texas 78469

Consideration: Cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements): The surface estate in and to the following tract of land in Nueces County, Texas, together with all rights, titles and interests of Grantor (if any) in and to all rights, privileges, and appurtenances pertaining to such tract:

NCAD Property ID: 514878
Legal Description: NUECES RIVER IRRIGATION PK BLK 2 LOT 24
Common Address: 3802 FM 1889
Corpus Christi, Texas 78410

Exceptions to Conveyance and Warranty:

Easements, restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances, and encumbrances for taxes and assessments (other than liens and conveyances) currently of record in the Official Public Records of Nueces County, Texas, that affect the Property, but only to the extent that said items are still valid and in force and effect at this time.

Grantor, for the Consideration and subject to the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the

rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's successors, legal representatives and assigns forever. Grantor binds Grantor and Grantor's successors and legal representatives to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, 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, subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

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

**CALALLEN RETAIL PARTNERS, L.P.,
a Texas limited partnership**

By: San Isidro Management, L.C., a Texas limited liability company,
its general partner

By: _____

Printed Name: Pat Murphy

Title: Vice President

STATE OF TEXAS

COUNTY OF WEBB

This instrument was acknowledged before me on _____, 2025, by Pat Murphy, Vice President of San Isidro Management, L.C., a Texas limited liability company, general partner of Calallen Retail Partners, L.P., a Texas limited partnership, on behalf of said limited liability company and limited partnership.

Notary Public, State of Texas

AGREED AND ACCEPTED BY GRANTEE:
CITY OF CORPUS CHRISTI

Jeff H. Edmonds, P.E.
Director of Engineering Services