

## COMMERCIAL CONTRACT – IMPROVED PROPERTY

1. **PARTIES:** Seller agrees to sell and convey Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the Sales Price stated in Paragraph 3. The parties to this Contract are:

Seller: Corpus Christi Housing Finance Corporation  
Address: 1201 Leopard Street, Corpus Christi, Texas 78401  
Phone: 361-826-3898 Fax: \_\_\_\_\_

Buyer: David Nuss and William Hoover, on behalf of an entity to be formed  
Address: 3636 S. Alameda, Ste B, Corpus Christi, Texas 78411  
Phone: 210-771-8194 Fax: \_\_\_\_\_

2. **PROPERTY:**

- A. The property sold by this contract is called the "Property." The Property is that real property situated in Nueces County, Texas, at 540 Chaparral Street, Corpus Christi, Texas (address) that is legally described on the attached Exhibit A or as follows:

Lots One (1), Two (2), Three (3), and Four (4), Block Eleven (11), of BEACH PORTION, a subdivision in the City of Corpus Christi, Texas, according to the map or plat thereof recorded in Volume A, Pages 2 and 3, of the Map Records of Nueces County, Texas.

- B. The Property is sold together with:

- (1) all buildings, improvements, and fixtures;
- (2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
- (4) Seller's interest in all licenses and permits related to the Property;
- (5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
- (6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
- (7) the following personal property: None.

*(Describe any exceptions, reservations, or restriction in Paragraph 11 or an addendum.)*

3. **SALES PRICE:** At or before Closing, Buyer will pay the following Sales Price for the Property:

A. Cash portion payable by Buyer at Closing (including earnest money).....\$ 150,000.00  
B. Sum of all financing described in Paragraph 4 .....\$ 0.00  
C. Sales Price (Sum of A and B).....\$ 150,000.00

4. **FINANCING:** Buyer will finance the portion of the Sales Price under Paragraph 3B as follows:

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- ☐ A. **THIRD PARTY FINANCING:** One or more third party loans in the total amount of \$\_\_\_\_\_ as provided in the attached Addendum.
- ☐ B. **ASSUMPTION:** Buyer shall assume the unpaid principal balance of a promissory note in accordance with the attached Addendum, which unpaid balance at Closing will be \$\_\_\_\_\_.
- ☐ C. **SELLER FINANCING:** The delivery of a promissory note and deed of trust from Buyer to Seller under the terms of the attached Addendum in the amount of \$\_\_\_\_\_.
5. **EARNEST MONEY:** Not later than three days after the Effective Date of this Contract, Buyer shall deposit the sum of \$1,000 as Earnest Money with San Jacinto Title at 520 Lawrence Street, Corpus Christi, Texas 78401 (address), as Escrow Agent. The Earnest Money shall be placed in an interest-bearing account by the Escrow Agent upon the written request of Buyer, and any interest thereon shall be part of the Earnest Money. If Buyer fails to deposit the Earnest Money as required by this Contract, Buyer shall be in default.

6. **TITLE POLICY, SURVEY AND UCC SEARCH:**

- A. **Title Policy:** Seller shall furnish to Buyer at ☒ Seller's expense ☐ Buyer's expense an Owner's Policy of Title Insurance (the "Title Policy") issued by San Jacinto Title (the "Title Company") in the amount of the Sales Price and dated at or after Closing, insuring Buyer's fee simple title to the Property to be good and indefeasible subject only to those title exceptions permitted herein, or as may be approved by Buyer in writing, and the standard printed exceptions contained in the usual form of the Title Policy; provided, however:
- (1) the exception as to the area and boundaries shall ☒ not be deleted ☐ be deleted except for "any shortages in area"; and if deleted the cost of such deletion shall be an expense of Buyer;
  - (2) the exception as to restrictive covenants shall be endorsed "None of Record", except as identified herein;
  - (3) the exception as to taxes shall be limited to taxes for the current year not yet due and payable and subsequent years, and subsequent assessments for prior years due to changes in land usage or ownership.
- Seller shall deliver to Buyer within ten (10) days after the Effective Date of this Contract a Commitment for Title Insurance (the Commitment) and legible copies of all recorded instruments affecting the Property and recited as exceptions in the Commitment.

B. **Survey:**

- (1) Within 15 days after the Effective Date:

- ☐ (a) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller.
- ☐ (b) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the Effective Date.
- ☒ (c) Seller will deliver a true and correct copy of Seller's existing survey of the Property.

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- (2) The survey required under Paragraph 6B(1) must be made by a Registered Professional Land Surveyor acceptable to the Title Company. The survey must:
- (a) identify the Property by metes and bounds or platted lot description;
  - (b) show that the survey was made and staked on the ground with corners permanently marked;
  - (c) set forth the dimensions and total area of the Property;
  - (d) show the location of all improvements, highways, streets, roads, railroads, rivers, creeks or other waterways, fences, easements, and rights-of-way on the Property with all easements and rights-of-way referenced to their recording information;
  - (e) show any discrepancies or conflicts in boundaries, any visible encroachments, and any portion of the Property lying in a special flood hazard area (an "A" or "V" zone as shown on the current Federal Emergency Management Agency (FEMA) flood insurance rate map); and
  - (f) contain the surveyor's certificate that the survey is true and correct.

C. UCC Search:

- ☐ (1) Within 15 days after the Effective Date, Seller, at Seller's expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the Effective Date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show, as debtor, Seller and all other owners of the personal property in the last 5 years.
- ☒ (2) Buyer does not require Seller to furnish a UCC search.

D. Buyer's Objections to the Commitment, Survey and UCC Search:

- (1) Within 15 days after Buyer receives the Commitment, copies of the documents evidencing the title exceptions, any required survey, and any required UCC search, Buyer may object in writing to matters disclosed in the items if:
- (a) the matters disclosed constitute a defect or encumbrance to title other than those permitted by this Contract or liens that Seller will satisfy at Closing or Buyer will assume at Closing; or
  - (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA);
- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 20 days after Seller receives the objections. The Closing Date will be extended as necessary to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this Contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the Earnest Money, less any independent consideration under paragraph 7B(3)(a), will be refunded to Buyer.
- (3) Buyer's failure to timely object or terminate under this Paragraph 6D is a waiver of Buyer's right to object, except that Buyer shall not be deemed to waive the requirements in Schedule C of the Commitment.

7. PROPERTY CONDITION/FEASIBILITY STUDIES:

☒ A. PRESENT CONDITION:

- ☒ (1) Buyer accepts the Property in its present "as-is" condition.
- ☐ (2) Buyer accepts the Property in its present condition provided that Seller, at Seller's expense, shall complete the following repairs prior to Closing: \_\_\_\_\_. Buyer shall pay for any other repairs required by a lender.

☒ B. INSPECTIONS AND FEASIBILITY STUDIES:

(1) Delivery of Property Information: Within 10 days after the Effective Date of this Contract, Seller shall deliver to Buyer the following items:

- ~~(a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;~~
- (b) copies of all current leases pertaining to the Property, including any modifications, supplements, or amendments to the leases;
- ~~(c) a current inventory of all tangible personal property owned by Seller that is located on, attached to, and used in connection with the Property's operations;~~
- ~~(d) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;~~
- ~~(e) copies of all current service, maintenance, and management agreements relating to the ownership and operation of the Property;~~
- ~~(f) copies of all current warranties and guaranties relating to all or part of the Property;~~
- ~~(g) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;~~
- ~~(h) copies of all leasing or commission agreements that currently relate to all or part of the Property;~~
- ~~(i) a copy of the "as-built" plans and specifications of the Property;~~
- ~~(j) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the Effective Date;~~
- ~~(k) a copy of Seller's income and expense statement for the Property from \_\_\_\_\_ to \_\_\_\_\_;~~
- (l) copies of all previous environmental assessments, studies, or analyses made on or relating to the Property;
- ~~(m) real and personal property tax statements for the Property for the previous 2 calendar years; and~~
- (n) \_\_\_\_\_.

(2) Inspections, Studies, or Assessments:

- (a) Within 180 days after the Effective Date (the "Feasibility Period"), Buyer, at Buyer's expense, may complete or cause to be completed inspections, studies, or assessments of the Property. Inspections, studies, or assessments may include, but are not limited to:

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- (i) physical property inspections;
- (ii) economic feasibility studies;
- (iii) environmental assessments; and
- (iv) engineering studies.

(b) 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 Property;
- (iii) abide by any reasonable entry rules or requirements that Seller may require;
- (iv) not interfere with existing operations or occupants of the Property; and
- (v) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(c) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this Paragraph. This Paragraph survives termination of this Contract.

(3) Feasibility Period and Right to Terminate: Buyer may terminate this Contract for any reason within 180 days after the Effective Date by providing Seller with written notice of termination. If Buyer does not terminate within the time required, Buyer accepts the Property in its **present "as is" condition** with any repairs Seller is obligated to complete under this Contract. (*Check only one box*).

☒ (a) If Buyer terminates under this Paragraph 7B(3), the Earnest Money will be refunded to Buyer less \$100.00 that Seller will retain as independent consideration for Buyer's right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the full amount specified in Paragraph 5 to the Escrow Agent. The independent consideration is to be credited to the Sales Price only upon Closing of the sale.

☐ (b) Buyer has paid Seller \$\_\_\_\_\_ as independent consideration for Buyer's right to terminate by tendering such amount directly to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B(3), the Earnest Money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration ☐ will ☐ will not be credited to the Sales Price only upon Closing of the sale.

(4) Return of Property Information: If this Contract terminates for any reason, Buyer will, not later than 10 days after the termination date: (i) return to Seller all those items described in Paragraph 7B(1) that Seller delivered to Buyer and all copies that Buyer made of those items; and (ii) deliver copies of all inspection and assessment reports (excluding economic feasibility studies) related to the Property that Buyer completed or caused to be completed. This Paragraph 7B(4) survives termination of this Contract.

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*[Handwritten signature]*







ordinary wear and tear excepted. Until Closing, Seller will operate the Property in the same manner as on the Effective Date. Any possession by Buyer before Closing or by Seller after Closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

**11. SPECIAL PROVISIONS:** (Insert factual statements and business details applicable to this sale.) Attached hereto are the following Exhibits and Addenda which are a part hereof:

- A. Development of Property. Buyer agrees to redevelop the Property within two (2) years from the Closing Date to include collaborative space for entrepreneurs and small businesses, retail space, and apartments according to plans approved by Seller during the feasibility period.
- B. Deed Restriction for Parking. The Property is subject to a deed restriction requiring the maintenance of not less than thirty-six (36) covered parking spaces made available for monthly tenants only.
- C. As-Is Sale. The Property is being sold "AS IS" pursuant to the provisions attached as Exhibit A.
- D. Legal Representation. The parties acknowledge that John Bell and the law firm of Wood, Boykin & Wolter, P.C. represents the Seller in this transaction but has represented principals and entities associated with the Buyer in the past and in other matters. The parties agree that John Bell and said law firm solely represent the Seller in this transaction.

The foregoing provisions shall survive the Closing Date.

**12. SALES EXPENSES:**

- A. **SELLER'S EXPENSES:** Prepayment penalties on any existing loans paid at Closing (provided that, Buyer agrees that Buyer shall be responsible for any prepayment penalties on any loan if Buyer elects to prepay such loan), plus cost of releasing liens and recording releases; tax statements; 1/2 of any escrow fee; preparation of deed; preparation and recording of any deed of trust to secure assumption; other expenses stipulated to be paid by Seller under other provisions of this Contract.
- B. **BUYER'S EXPENSES:** Application, origination, processing, commitment and loan discount fees; private mortgage insurance premiums and any loan assumption or transfer fees; expenses incident to new loan(s) (e.g., preparation of any note, deed of trust and other loan documents, survey [unless stipulated to be paid by Seller in Paragraph 6], recording fees, copies of restrictions and easements, Mortgagee Title Policies, credit reports, photos); 1/2 of any escrow fee; any required reserve deposits for ad valorem taxes and assessments; any prepaid interest required by lenders to be paid at Closing; expenses stipulated to be paid by Buyer under other provisions of this Contract.
- C. If any sales expense exceeds the amount stated in this Contract to be paid by either party, either party may terminate this Contract unless either party agrees to pay such excess.

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### 13. PRORATIONS, ROLLBACK TAXES, RENT AND DEPOSITS:

- A. Prorations: Interest on any assumed (or subject to) note, assessments, current taxes, and any rents and maintenance fees shall be prorated through the date of Closing. If ad valorem taxes for the year in which the sale is closed are not available on the Closing Date, proration of taxes shall be made on the basis of taxes assessed for the previous year, and any necessary cash adjustment of such proration shall be made between Seller and Buyer after Closing when actual tax amounts are available. If Buyer is assuming payment of, or taking subject to, any existing loan on the Property, all reserve deposits for the payment of taxes or other charges shall be transferred to Buyer by Seller and Buyer shall pay to Seller the amount of such reserve deposits.
- B. Rollback Taxes: ~~If Seller changes the use of the Property before Closing or if a denial of a special valuation on the Property claimed by Seller results in the assessment of additional taxes, penalties, or interest (assessments) for periods before Closing, the assessments will be the obligation of the Seller. If this sale or Buyer's use of the Property after Closing results in additional assessments for periods before Closing, the assessments will be the obligation of Buyer. This Paragraph 13B survives Closing.~~
- C. Estoppel Certificates:
- (1) Within \_\_\_\_\_ days after the Effective Date, Seller will deliver to Buyer estoppel certificates signed not earlier than \_\_\_\_\_ by each tenant that leases space in the Property.
  - (2) The estoppel certificates must state:
    - (a) ~~that no default exists under the lease by the landlord or tenant as of the date the estoppel certificate is signed;~~
    - (b) ~~the amount of the scheduled rents to be paid through the end of the lease and any rental payments that have been paid in advance;~~
    - (c) ~~the amount of any security deposit;~~
    - (d) ~~the amount of any offsets tenant is entitled against rent;~~
    - (e) ~~the expiration date of the lease;~~
    - (f) ~~a description of any renewal options; and~~
    - (g) \_\_\_\_\_
- D. Rent and Security Deposits: At Closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after Closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 13D survives Closing.

### 14. CASUALTY LOSS AND CONDEMNATION:

- A. If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date, Seller must restore the Property to its previous condition as soon as reasonably possible and not later than the Closing Date. If, without fault, Seller is unable to do so, Buyer may:
- (1) terminate this contract and the earnest money, less the independent consideration paid for Buyer's right to terminate under Paragraph 7B(3), will be refunded to Buyer;

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- (2) extend the time for performance up to 15 days and the Closing Date will be extended as necessary; or
- (3) accept the Property in its damaged condition and accept an assignment of any insurance proceeds Seller is entitled to receive.

B. If any part of the Property is condemned prior to the Closing Date, Seller shall promptly give Buyer written notice of such condemnation and Buyer shall have the option of either applying the proceeds of any condemnation award to reduce the Sales Price provided herein or declare this Contract terminated by delivering written notice of termination to Seller, and the Earnest Money shall be refunded to Buyer with no Broker's fee due.

**15. DEFAULT:**

A. If Buyer fails to comply herewith, Buyer shall be in default, and Seller may (1) enforce specific performance or (2) terminate this Contract and receive the Earnest Money as liquidated damages, thereby releasing Buyer from this Contract.

B. If Seller is unable without fault, within the time herein required, to (1) deliver the Commitment or (2) deliver the Complete Abstract, Buyer may either terminate this Contract and receive the Earnest Money as the sole remedy or extend the time for performance up to fifteen (15) days and the Closing Date shall be extended as necessary.

C. If Seller fails to comply herewith for any other reason, Seller shall be in default, and Buyer may (1) enforce specific performance or (2) terminate this Contract and receive the Earnest Money, thereby releasing Seller from this Contract.

D. Seller's failure to satisfy Buyer's objections under Paragraph 6 shall not constitute a default by Seller.

16. **ATTORNEY'S FEES:** If Buyer, Seller, any Broker, or Escrow Agent is a prevailing party in any legal proceeding brought under or with relation to this Contract or transaction, such party shall be additionally entitled to recover court costs, reasonable attorney's fees, and all other litigation expenses from the non-prevailing parties.

17. **ESCROW:** The Earnest Money is deposited with Escrow Agent with the understanding that Escrow Agent is not (a) a party to this Contract and does not assume or have any liability for the performance or non-performance of any party to this Contract, (b) liable for interest on the funds held unless required in Paragraph 5 and (c) liable for any loss of escrow funds caused by the failure of any banking institution in which such funds have been deposited unless such banking institution is acting as Escrow Agent. If both parties make demand for the payment of the Earnest Money, Escrow Agent has the right to require from all parties and brokers a written release of liability of Escrow Agent which authorizes the disbursement of the Earnest Money. If only one party makes demand for payment of the Earnest Money, Escrow Agent shall give notice to the other party of such demand. Escrow Agent is authorized and directed to honor such demand unless the other party objects to Escrow Agent in writing within thirty (30) days after Escrow Agent's notice to that party. At Closing, the Earnest Money shall be applied first to any cash down payment, then to Buyer's closing costs and any excess refunded to Buyer. Any refund or payment of the Earnest Money under this Contract shall be reduced by the amount of any actual expenses incurred on behalf of the



party receiving the Earnest Money, and Escrow Agent shall pay the same to the creditors entitled thereto.

**18. MATERIAL FACTS:**

~~A. To the best of Seller's knowledge and belief: (Check (1) or (2) only.)~~

~~☐ (1) Seller is not aware of any material defects to the Property except as stated in the attached Property Condition Statement.~~

~~☐ (2) Seller is not aware of any of the following, except as described otherwise in this Contract:~~

- ~~(a) any subsurface structures, pits, waste, springs, or improvements;~~
- ~~(b) any pending or threatened litigation, condemnation, or assessment affecting the Property;~~
- ~~(c) any environmental hazards or conditions that affect the Property;~~
- ~~(d) whether the Property is or has ever been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;~~
- ~~(e) whether radon, asbestos insulation or fireproofing, urea formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;~~
- ~~(f) whether wetlands, as defined by federal or state law or regulation, are on the Property; and~~
- ~~(g) whether threatened or endangered species or their habitat are on the Property.~~

~~(Describe any exceptions to (a) - (g) in Paragraph 11 or an addendum.)~~

B. Each written lease Seller is to furnish to Buyer under this Contract must be full force and effect according to its terms without amendment or modification that is not disclosed to Buyer in writing. Seller must disclose, in writing, to Buyer if any of the following exist at the time Seller provides the leases to Buyer or subsequently occur before Closing:

- (1) any modifications, amendments, or default by landlord or tenant under the leases;
- (2) any failure by Seller to comply with Seller's obligations under the leases;
- (3) any circumstances under the leases that entitle a tenant to terminate the lease or seek any offsets or damages;
- (4) any non-occupancy of the leased premises by a tenant;
- (5) any advance sums paid by a tenant under the lease;
- (6) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (7) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this Contract.

19. **NOTICES:** All notices between the parties under this Contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties' addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

20. **FEDERAL TAX REQUIREMENT:** If Seller is a "foreign person", as defined by applicable law, or if Seller fails to deliver an affidavit that he is not a "foreign person", then Buyer or Escrow Agent, on instruction from Buyer, shall withhold from the sales proceeds an amount sufficient to



comply with applicable tax law and deliver the same to the Internal Revenue Service, together with appropriate tax forms.

21. **DISPUTE RESOLUTION:** The parties agree to negotiate in good faith in an effort to resolve any dispute related to this Contract that may arise. If the dispute cannot be resolved by negotiation, the dispute shall be submitted to mediation before the parties resort to arbitration or litigation and a mutually acceptable mediator shall be chosen by the parties to the dispute who shall share the cost of mediation services equally.

22. **AGREEMENT OF PARTIES:** This Contract shall be binding on the parties, their heirs, executors, representatives, successors, and assigns. This Contract shall be construed under and in accordance with laws of the State of Texas. This Contract contains the entire agreement of the parties and cannot be changed except by written agreement. If this Contract is executed in a number of identical counterparts, each counterpart is deemed an original and all counterparts shall, collectively, constitute one agreement. Addenda which are part of this Contract are:

- ☐ (1) Property Description Exhibit identified in Paragraph 2;
- ☐ (2) Financing Addendum;
- ☐ (3) Commercial Property Condition Statement;
- ☐ (4) Notice to Purchaser of Real Property in a Water District (MUD);
- ☐ (5) Addendum for Coastal Area Property;
- ☐ (6) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway;
- ☐ (7) Addendum for Unimproved Property in a Certificated Service Area of a Utility Service Provider; and
- ☒ (8) AS IS Clause.

23. **TIME:** Time is of the essence in this Contract and strict compliance with the times for performance is required.

24. **EFFECTIVE DATE:** The Effective Date of this Contract for the purpose of performance of all obligations is the date the Escrow Agent receipts this Contract after all parties execute this Contract.

24. **ASSIGNMENT:**

- ☐ A. Buyer may not assign this Contract.
- ☒ B. Buyer may assign this Contract to an entity controlled by Buyer, and upon such assumption in writing of all obligations and liabilities of Buyer under this Contract, Buyer shall be relieved of all liability hereunder.

25. **MISCELLANEOUS:**

- A. 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.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49 of the Texas Water Code requires Seller to deliver and the Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this Contract.
- C. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the State, Section 33.135 of the Texas Natural Resources Code, requires a notice regarding coastal area property to be included in this Contract.

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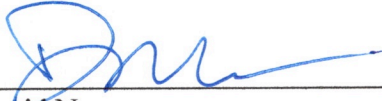
- D. Buyer should not rely upon any oral representations about the Property from any source.
- E. Brokers are not qualified to render property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to render such services. Selection of inspectors and repairmen is the responsibility of the Buyer and not the Broker.

26. **TEXAS LAW TO APPLY:** This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in the county in which the Property is located.

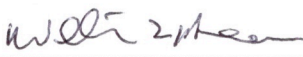
27. **CONSULT YOUR ATTORNEY:** The Broker cannot give you legal advice. This is intended to be a legally binding contract. READ IT CAREFULLY. NO REPRESENTATION OR RECOMMENDATION IS MADE BY BROKER OR ITS AGENTS OR ITS EMPLOYEES AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS DOCUMENT OR TRANSACTION. If you do not understand the effect of any part of this Contract, consult your attorney BEFORE signing.

Buyer's  
Attorney: \_\_\_\_\_

Seller's  
Attorney: John D. Bell

Buyer:   
Name: David Nuss

Seller: Corpus Christi Housing Finance Corporation

By:   
Name: William Hoover

By: \_\_\_\_\_  
Name: Rudy Garza  
Title: President

### ESCROW RECEIPT

Escrow Agent acknowledges receipt of this Contract and Earnest Money on \_\_\_\_\_ (Effective Date).

Escrow Agent: San Jacinto Title Services of Texas, LLC

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





EXHIBIT A  
AS IS CLAUSE

By acceptance and recording hereof BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTEES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (1) the nature, quality or condition of the property, including without limitation, the water, soil and geology; (ii) the income to be derived from the property; (iii) the suitability of the property for any and all activities and uses which Buyer may conduct thereon; (iv) the compliance of or by the property or its operation with any laws, rules, ordinances or regulations, of any applicable governmental authority or body; (v) the habitability, merchantability or fitness for a particular purpose of the property. BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE NOR GIVEN ANY REPRESENTATIONS REGARDING: (i) solid waste, as defined by the Texas Solid Waste Disposal Act and the regulations adopted thereunder; (ii) the disposal of or existence of in or on the property, of any hazardous substance. Hazardous substance shall mean any substance which (at any time) shall be listed as "hazardous" or "toxic" in the regulations implementing the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. 9601 et seq., the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. 6901 et seq., or which has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Law. The term "Hazardous Substance" shall also include, without limitation, raw materials, building components, the products of any manufacturing or other activities on the subject property, wastes, petroleum, and source, special nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended (42 U.S.C. 3011, et seq., as amended).

Buyer further acknowledges and agrees that Buyer or Buyer's agents have inspected the property and is relying solely on Buyer or Buyer's agents investigation of the property by Buyer or Buyer's agents and not on any information provided or to be provided by Seller. Buyer acknowledges and agrees that any information provided or to be provided with respect to the property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS, WHERE IS" CONDITION AND BASIS WITH ALL FAULTS.