

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (“*Agreement*”) is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_ 2022, by and between RWR PARTNERS, L.P., a Texas limited partnership (the “*Seller*”); and the CITY OF MCKINNEY, a municipal corporation of the State of Texas (the “*Buyer*”).

WITNESSETH:

WHEREAS, Seller has previously sold approximately 17 acres of land located at the northeast corner of Justice Road and James Pitts Drive to Velocis Capstar Collin Square JV, LP (“*Capstar*”) for the development of a multi-family project containing 335 residential dwelling units (the “*Capstar Project*”); and

WHEREAS, it is anticipated that the Capstar Project will pay more than One Million Dollars (\$ 1,000,000.00) in fees to Buyer in lieu of dedicating the park land necessary to offset the Capstar Project’s impacts on the City’s park system (“*Park Dedication Fees*”); and

WHEREAS, Seller is the owner of the “*Property*” defined in Section 1.1, below, of this Agreement; and

WHEREAS, the Property is situated in the same park district area as the Capstar Project; and

WHEREAS, Buyer desires to buy, and Seller desires to sell, the Property for park development purposes on the terms and conditions set forth in this Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual covenants of the parties expressed in this Agreement, it is hereby agreed as follows:

### **ARTICLE I. PURCHASE AND SALE**

- 1.2 Agreement to Sell and Purchase. In accordance with and subject to the terms and conditions of this Agreement, on the date of Closing (as hereinafter defined), Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller all of that certain real estate and improvements, being approximately 13.233 acres, more or less, located in Collin County, Texas, which property is situated in an area situated south of proposed Bloomdale Road and west of Community Avenue as generally depicted in Exhibit “A,” attached hereto and incorporated herein by reference for all purposes allowed by law, together with all and singular, the rights, benefits, privileges, easements, tenements, hereditaments, appurtenances and interests thereon or in anywise appertaining thereto with all improvements located thereon (the “*Property*”). Approximately 3.198 acres of the Property is located outside of any floodplain. The remaining approximately 10.035 acres of

the Property (referred to herein as the “*Floodplain Area*”) is situated within a floodplain.

1.2 Purchase Price. The purchase price (the “*Purchase Price*”) to be paid by Buyer to Seller for the Property will be \$2.375 per square foot multiplied by the number of gross square feet located outside of the Floodplain Area and \$0.00 per square foot multiplied by the number of gross square feet located within the Floodplain Area as determined by the Survey (as defined below in Section 5.1(b)), estimated to be Three Hundred Thirty Thousand Eight Hundred Forty-Six and 00/100 Dollars (\$330,846.00). The Purchase Price will be paid by Buyer, subject to all the terms and conditions set forth herein and any adjustments or prorations, as follows:

(a) Any fees, expenses or adjustments to the Purchase Price that are the responsibility of Buyer pursuant to Section 2.2(a), Section 2.2(e), Section 5.1(b) and Section 5.1(d) below shall be paid by the Buyer at the Closing.

(b) Seller and Buyer agree that, except as set forth above, Buyer shall have no obligation to pay any portion of the Purchase Price on the date of Closing.

(c) Buyer hereby covenants and agrees to deliver to Seller the Purchase Price (minus any amounts paid at Closing per Section 1.2(a) above) by the earlier of (i) thirty (30) days following the date that the Capstar Project pays its Park Dedication Fees to Buyer (the “*Payment Date*”), and (ii) June 1, 2023.

1.3 Donation of Floodplain Area.

(a) The conveyance to Buyer of the Floodplain Area for \$0.00 per square foot shall be deemed a charitable donation from Seller to Buyer for all intents and purposes.

(b) Within thirty (30) days following the date of Closing, Buyer will, at its sole cost and expense, obtain and deliver to Seller a third-party appraisal of the Floodplain Area, such appraisal to be prepared by an MIA-certified commercial land appraiser.

(c) Buyer agrees to execute, within ten (10) days of Seller’s request therefor, IRS Form 8283 and a standard donation acknowledgement letter in connection with the donation to Buyer of the Floodplain Area.

## ARTICLE II. ESCROW DEPOSIT

2.1. Within fifteen (15) business days of the execution of this Agreement by all parties to this Agreement and for the purpose of securing the performance of Buyer under the terms and provisions of this Agreement, Buyer shall deliver to Capital Title of Texas, LLC, McKinney-McWilliams Escrow Office, 2713 Virginia Parkway #100, Texas 75071: Attention: Stan McWilliams (the “*Title Company*”), a wire transfer, cashier’s check or other same day certified funds in the amount of One Thousand and no/100 dollars (\$1,000.00) as an escrow deposit which

shall apply towards the Purchase Price (the “*Escrow Deposit*”). In the event Buyer fails to timely deliver the Escrow Deposit to the Title Company, this Agreement shall automatically terminate and be of no further force or effect and Seller and Buyer shall be relieved from all liabilities or obligations hereunder. The Escrow Deposit shall be non-refundable to the Buyer unless Buyer has terminated this Agreement due to i) an event of a Default by the Seller under Section 5.3(a) that is not cured, or ii) an event of a Default by the Seller under Section 5.3(a) based on Buyer’s disapproval of the Phase I Environmental Report.

2.2 Adjustments. The following items will be payable by the parties hereto at Closing in accordance with this Section:

(a) General property taxes (state, county, municipal, school, and fire district) for the then current tax year based upon the latest available tax bills or assessment information (applying all agricultural and open space exemptions), whether for that tax year or the preceding tax year, will be collected and paid at Closing through the date of Closing pursuant to Section 26.11 of the Texas Property Tax Code (“*Tax Code*”). The amount of any such tax bills and assessments, as determined at Closing, shall be paid by Buyer through the date of Closing.

(b) If there are any unpaid rollback taxes for the Property attributable to any period of time prior to Closing, the Seller will be responsible for those taxes. If any liability for rollback taxes for the Property arise due to a change of use after Closing, the Buyer will be responsible for those taxes. Notwithstanding the foregoing, Buyer does not waive any exemption or other exception it, or the Property, may have from rollback taxes pursuant to Section 23.55(f) of the Tax Code or other applicable law.

(c) Seller shall be responsible for any other special taxes or assessments assessed upon the Property or becoming a lien on the Property to the extent such taxes or assessments apply to any period of time prior to the date of Closing, provided that Buyer shall assume all liability, if any, for future installments and deferred payments of any such special taxes or assessments, to the extent the taxes or assessments accrued or became a lien prior to the date hereof. Buyer shall be responsible for any other special taxes or assessments assessed upon the Property or becoming a lien on the Property to the extent such taxes or assessments apply to any period of time on or following the date of Closing. Notwithstanding the foregoing, Buyer does not waive any exemption or other exception it, or the Property, may have from such taxes or assessments after the date of Closing.

(d) Seller will be responsible for all electricity, water, sewer, gas, and other utility charges accruing on or before the date of Closing, and Buyer will be responsible for all liability for such utility charges accruing after the date of Closing. Seller’s utility company deposits, if any, will not be assigned, and Buyer will post its own deposits with such utility companies, if required to do so by such companies. Buyer will bear sole responsibility for opening its own accounts with utilities as of the date of Closing.

(e) Buyer will be solely responsible for the cost of the Survey at Closing.

2.3 In the event, on the date of Closing, the precise figures necessary for any of the foregoing adjustments are not capable of determination, the adjustments will be made on the basis of the good faith estimates of Buyer and Seller (using the most recent available information) and final adjustments will be made promptly after precise figures are determined or available, but in no event later than one (1) year following the date of Closing. In addition, certain costs incidental hereto and to the transactions contemplated hereby will be borne such that at (or prior to) the date of Closing: (i) Seller will pay the base title insurance premium, and (ii) Buyer will pay all title insurance premiums for additional coverages, all mortgage taxes or intangible taxes, all transfer taxes or revenue stamps incidental to the recordation of the deed, any mortgage, or otherwise, and all recording fees and other closing costs. Buyer shall be responsible for the escrow fees, if any, charged by the Title Company.

Except as expressly provided in this Section or as expressly provided elsewhere in this Agreement, Buyer and Seller will pay their own respective costs and expenses, including attorneys' fees, incidental to this Agreement and the transactions contemplated hereby.

2.4 Possession. Seller will transfer possession of the Property to Buyer on the date of Closing, subject to the Permitted Exceptions (as hereinafter defined).

2.5 Closing. The consummation of the transactions contemplated by this Agreement (the "**Closing**") will be held within thirty (30) business days after the Due Diligence Date. The Closing will take place through escrow at the Title Company.

2.6 Documents at Closing.

(a) On the date of Closing, Seller will execute and deliver or cause to be delivered to Buyer, the following documents:

(i) A special warranty deed, transferring and conveying to Buyer title to the Property (Seller's record title to govern for purposes of the legal description, but Seller will provide an executed special warranty deed with respect to Seller's surveyed legal description), subject to the lien of general real estate taxes for the then current tax fiscal year, and those easements, restrictions, conditions, and other exceptions described on Schedule B of the Title Commitment hereto and incorporated herein by reference ("**Permitted Exceptions**"), which special warranty deed will be in the form attached hereto as **Exhibit "B"**.

(ii) A standard form affidavit from Seller, against mechanic's liens and against parties in possession, and such other documents, if any, as may be required by the Title Company, on forms customarily used by the Title Company and reasonably satisfactory to Seller, in order to issue an owner's policy of title insurance.

(iii) An affidavit from Seller, in a form reasonably satisfactory to Buyer, affirming that Seller is not a foreign person under the Foreign Investment in Real Property Tax Act of 1980, as amended, and that no taxes or withholding will be assessed or applied to Buyer in connection with the Closing and the transactions contemplated hereby.

(iv) A bill of sale, in form reasonably satisfactory to Buyer, conveying all of Seller's personal property located on the Property.

(v) An assignment, in form reasonably satisfactory to Buyer, of all leases affecting the property, save and except those leases which Buyer requires to be terminated prior to or at Closing.

(b) On the date of Closing, Buyer will execute and deliver or cause to be delivered to Seller, the following documents:

(i) Evidence of Buyer's authority and capacity to close this transaction; and

(ii) All other documents required by the Title Company from Buyer to close.

### **ARTICLE III** **REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller makes the following representations and warranties, which representations and warranties are true and correct on the date hereof, and which representations and warranties will survive the Closing for a period of one year from the date of Closing.

3.1 Authority. Seller represents and warrants that:

(a) Seller is a validly formed and existing Texas limited partnership, in good standing under the laws of the State of Texas, and the owner of the Property in fee simple.

(b) Seller has all necessary power and authority to own, use, and transfer its properties (including the Property) and to transact the business in which it is engaged, and has full power and authority to enter into this Agreement, to execute and deliver the documents required of Seller herein, and to perform its obligations hereunder.

(c) Seller is duly authorized to execute, deliver, and perform this Agreement and all documents and instruments and transactions contemplated hereby or incidental hereto.

(d) The individual executing this Agreement on behalf of Seller is authorized to do so, and upon executing this Agreement, this Agreement will be binding and enforceable upon Seller in accordance with its terms.

3.2 Broker Commissions. It is expressly understood and agreed that no brokers have been involved in the negotiation and consummation of this Agreement. To the extent allowed by law, Buyer and Seller hereby agree to indemnify, defend, and hold harmless the other party from any and all claims for any other commission(s), brokerage fees or finder's fees brought by any person claiming by, through, or under the indemnifying party or as a result of the acts or omissions of the indemnifying party.

3.3 Litigation. There are no claims, actions, suits, condemnation actions, or other proceedings pending or threatened by any entity against Seller or the Property.

3.4 No Violations of Laws. Seller is not aware of any current violations of any applicable federal, state, and local laws, ordinances, codes, regulations, rulings, orders, case law, and other legal requirements affecting the Property, except as previously disclosed by Seller to Buyer in writing or disclosed in the Environmental Reports (as hereinafter defined).

3.5 No Option. Seller has not granted any options or rights of first refusal to purchase with respect to the Property.

3.6 Tenancies. There are no tenancies or occupancies affecting the Property or persons in possession of any part thereof which will not be terminated on or before Closing. There are no persons or entities with whom Seller or its agents have negotiated with regard to prospective leases of the Property that in any manner might give rise to a claim by such persons or entities against Seller or the Property.

3.7 Operating Agreements. There are no service, supply, maintenance, parking, leasing, or management agreements affecting the Property or the operation of any part thereof which will be binding upon the Property after Closing. Seller will provide copies of current agreements to Buyer in its possession governing the Property.

3.8 Environmental. Except as previously disclosed to Buyer or as disclosed in the environmental reports to be provided to Buyer in accordance with this Agreement, if any, (collectively, the "***Environmental Reports***"), to the best of Seller's current actual knowledge, the Property has been and is in compliance in all material respects with all applicable environmental laws, and there has been no release of hazardous materials on the Property.

#### **ARTICLE IV** **REPRESENTATIONS AND WARRANTIES OF BUYER**

4.1 Buyer makes the following representations and warranties, which representations and warranties are true and correct on the date hereof and will be true and correct on the date of Closing, and which representations and warranties will survive the Closing for a period of one year from the date of Closing.

(a) Authority. Buyer represents and warrants that:

(i) Buyer is a home-rule municipal corporation organized and operating under the laws of the State of Texas.

(ii) Buyer has all the necessary power and authority to enter into this Agreement, to execute and deliver the documents and instruments required of Buyer herein, and to perform its obligations hereunder.

(iii) Buyer is duly authorized to execute and deliver this Agreement and all documents and instruments and transactions contemplated hereby or incidental hereto.

(iv) Upon executing this Agreement, the Agreement will be binding and enforceable against Buyer in accordance with its terms.

(b) Commissions. Buyer represents that it is not represented by a Broker.

## ARTICLE V CONDITIONS TO OBLIGATIONS

5.1 Conditions to Buyer's Obligations. The obligations of Buyer to consummate the transactions provided for in this Agreement will be subject to the satisfaction of each of the following conditions on or before the dates specified, subject to the right of Buyer to expressly waive in writing any one or more of such conditions:

(a) Seller will have obtained a commitment (the "***Title Commitment***") in favor of Buyer for a current TLTA owner's policy of title insurance from the Title Company with respect to the Property, which Title Commitment will be in the amount of the Purchase Price, will show Seller as the owner of the Property and name Buyer as the insured, and will include copies of all documents supporting exceptions ("***Exceptions***") set forth in the Title Commitment and copies of all documents from which any requirements set forth in the Title Commitment arise. On or before the date that is ten (10) business days following the execution of this Agreement, Seller agrees to obtain the Title Commitment, together with copies of all exceptions referred to thereon (and Seller agrees to furnish Buyer with copies thereof promptly upon receipt). Buyer agrees to review and approve the Title Commitment and the Exceptions shown thereon, the updated Survey (referenced in 5.1(b) below) and the Phase I Environmental Report (referenced in 5.1 (d) below) (or disapprove the same and thereby terminate this Agreement) on or before the date that is twenty (20) business days from receipt of the later to be received of the Title Commitment and Exceptions and the Survey (the "***Due Diligence Date***") (Buyer hereby agreeing that it will not disapprove the lien of general real estate taxes for the current tax year); provided, however, that in the event Buyer disapproves the status of title as shown on the Title Commitment or any Exceptions referred to in the Title Commitment and does not terminate this Agreement under 5.3(a) below, Seller may, without being required to do so, on or before the date of Closing, at its own expense and effort, cure such status of title, to Buyer's satisfaction, or cause to be released of record or removed (by endorsement) from the Title Commitment such

disapproved Exceptions, whereupon this condition will not be deemed unsatisfied by reason of Buyer's disapproval of such status of title or such Exceptions. Buyer will be deemed to have approved the Title Commitment and all Exceptions listed in the Title Commitment, other than any Exceptions that Buyer expressly objects to in writing on or before the Due Diligence Date.

(b) Survey. At Buyer's cost, Seller will provide an updated or new survey of the Property bearing a then current certification date (the "Survey"), which Survey will verify the location of the Property, show the location of all improvements and easements, and provide the number of square feet of the Property within and outside of the Floodplain Area.

(c) Title Insurance. The Title Company will be unconditionally committed to issuing at Closing an Owner's title policy in the amount of the Purchase Price, subject only to those Exceptions approved or deemed approved by Buyer as described in Section 5.1 (a) and Section 5.3.

(d) Phase I Environmental Report. At Buyer's cost, Buyer may obtain a Phase I Environmental Report on the Property not less than ten (10) business days prior to the Due Diligence Date. Buyer agrees to review such report (or disapprove the same, in its sole discretion, and thereby terminate this Agreement) on or before the Due Diligence Date.

(e) McKinney City Council Approval of Closing and Development Agreement. The Buyer, through its City Manager, shall have received approval to close from the McKinney City Council in the open session of a called public meeting prior to the Closing Date.

5.2 Conditions to Seller's Obligations. The obligations of Seller to consummate the transactions provided for in this Agreement will be subject to the satisfaction of each of the following conditions on or before the dates specified, subject to the right of Seller to waive any one or more of these conditions:

(a) Buyer will have, on or before the date of Closing, performed all of its covenants, obligations, and agreements under this Agreement in all material respects.

(b) Seller will have, on or before the date of Closing, fulfilled all requirements applicable to the sale of real property in Texas, including, but not limited to, the termination of all leases on the Property.

### 5.3 Failure of Satisfaction of Conditions.

(a) In the event that any one or more of the matters referenced in each of the subsections of Section 5.1 (a)-(c) has not occurred or have not been timely provided by Seller to Buyer on or before the Due Diligence Date or Seller fails to timely cure those items to which Buyer has reasonably disapproved regarding the condition of title or



survey, Seller shall be in Default and, Buyer may elect to terminate this Agreement, and except as otherwise expressly provided in this Agreement, the parties will have no further liability to one another under this Agreement. In the event Buyer has disapproved the Phase I Environmental Report, as described in Section 5.1(d), Seller shall be in Default and, Buyer may, at its option, elect to terminate this Agreement, and except as otherwise expressly provided in this Agreement, the parties will have no further liability to one another under this Agreement. If Buyer terminates under this paragraph, the Escrow Deposit shall be immediately returned to Buyer by Title Company. In the event that on or prior to the expiration of the Due Diligence Date any such condition precedent is not expressly designated as unsatisfied in writing by Buyer, then such condition precedent will be conclusively deemed satisfied.

(b) In the event that any one or more of the matters referenced in each of the subsections of Section 5.2 has not been satisfied on or before the date of Closing (or if earlier, the date for satisfaction thereof) for any reason other than owing to a failure of performance by Seller, Seller may, at its option, elect to terminate this Agreement, and except as otherwise expressly provided in this Agreement, the parties will have no further liability to one another under this Agreement.

## **ARTICLE VI** **COVENANTS OF SELLER**

6.1 Seller covenants and agrees that from and after the date of this Agreement and until the date of Closing:

(a) Operation of Property. Seller will use reasonable efforts to maintain the Property in substantially the same condition and repair as of the date hereof, normal wear and tear and casualty and/or condemnation damage accepted, and with no substantial alterations.

(b) Insurance of Property. Seller will cause the Property to be insured in accordance with its current insurance practice.

(c) No Liens or Encumbrances. Seller agrees that it will not voluntarily encumber the Property with any liens or encumbrances against the Property arising subsequent to the date hereof that will be binding upon the Property subsequent to Closing without the prior written approval of Buyer.

(d) No Leases or Contracts. Seller will not: (i) enter into any lease affecting all or any portion of the Property; (ii) enter into any service, supply, parking or maintenance contracts pertaining to the operation of the Property that will be binding upon Buyer subsequent to Closing; or (iii) construct or install or contract for the construction or installation of any improvements without, in each instance, obtaining the prior written consent of Buyer.

(e) Seller's Disclosures. Seller, within five (5) business days after the date hereof, will exercise reasonable efforts to deliver and/or otherwise make available to Buyer complete and legible copies of all surveys, investigative reports, title commitments, and architectural plans of existing structures in Seller's possession or control which relate to the Property or to the condition, use, operation, occupancy, and/or enjoyment thereof. Seller, within five (5) business days after the date hereof, will exercise reasonable efforts to provide Buyer with copies of all final Environmental Reports, studies, and investigations in Seller's possession or control relating to any release of hazardous materials or enforcement actions or remedial actions associated with the Property.

## ARTICLE VII COVENANTS OF BUYER

7.1 Post Termination Covenants. Buyer covenants and agrees that in the event Closing does not occur due to the failure of a condition precedent to Buyer's or Seller's obligations, then at the option and written request of Seller, Buyer will transfer to Seller copies of all surveys, reports, and the like in the possession of Buyer and submitted to Buyer in the course of the inspections and evaluations of the Property, at Seller's cost of reproduction and delivery.

7.2 Restoration of Property. Buyer will, in connection with its studies and investigations of the Property contemplated hereunder, promptly restore the Property to its condition existing immediately prior to such studies and investigations. Buyer or such person or entity actually doing any work contemplated hereunder will secure and maintain, at Buyer's or such other person or entity's sole cost and expense, the following policies of insurance: (i) comprehensive public liability and property damage insurance, with limits of \$1,000,000 for bodily injury to, or death of, any one person, and \$2,000,000 for bodily injury to, or death of, more than one person on an occurrence basis, (ii) property damage insurance with limits of \$1,000,000 for each accident, and \$1,000,000 policy limit for aggregate operations on an occurrence basis, (iii) comprehensive automobile liability insurance with limits of \$1,000,000 for injury to, or death of, any one person, and \$2,000,000 for bodily injury to, or death of, more than one person, and (iv) workers' compensation and employer's liability insurance in accordance with the provisions of Texas law.

7.3 Payment of the Purchase Price. Buyer will pay the Purchase Price on the Payment Date, in accordance with the terms and provisions of Section 1.2 above.

7.4 Park Naming. The Property has been owned by the Reed family for more than forty (40) years. If Buyer develops a park or trailhead on the Property, Buyer hereby agrees that the McKinney City Council will consider assigning the Reed family name to the park or trailhead.

**ARTICLE VIII**  
**CASUALTY; CONDEMNATION**

8.1 **Casualty.** Subject to Buyer's right to terminate under this Agreement, in the event of the damage or destruction of all or any part of the Property, Buyer will have no right to terminate this Agreement on account thereof, and Seller will assign to Buyer its interest in and to any insurance policies and proceeds thereof payable as a result of such damage or destruction less such portion thereof as will first be reimbursed to Seller for the reasonable out-of-pocket costs of any restoration work incurred by Seller prior to Closing, and Buyer will receive at Closing, as a credit against the Purchase Price, an amount equal to any uninsured loss, by reason of deductible or otherwise, relating to such damage or destruction. Seller will not, in any event, be obligated to make any repair, replacement, or restoration, but may do so at its option.

8.2 **Condemnation.** Subject to Buyer's right to terminate under this Agreement, in the event of the taking of all or any part of the Property prior to Closing, by eminent domain or condemnation, Buyer will have no right to terminate this Agreement on account thereof, and Seller will assign to Buyer its interest in and to any award and proceeds thereof payable as a result of such taking.

**ARTICLE IX**  
**MISCELLANEOUS PROVISIONS**

9.1 **Binding Agreement.** This Agreement will be binding on and inure to the benefit of the parties named herein and to their respective heirs, administrators, executors, personal representatives, successors, and assigns.

9.2 **Assignment.** Neither Buyer nor Seller may assign its rights and interests hereunder without the prior written consent of the other party.

9.3 **Notices.** All notices, requests, demands, and other communications required hereunder will be deemed to have been duly given if in writing and delivered personally (which will include delivery by national overnight courier service) or sent by registered or certified mail, postage prepaid, and addressed as set forth below:

**If to Seller:** RWR PARTNERS, L.P.  
5850 Granite Parkway  
Plano, Texas 75024  
Attn: Doug Mousel and Jim Williams, Jr.  
(214) 618-3811  
[dmousel@landplan.net](mailto:dmousel@landplan.net); [jim@landplan.net](mailto:jim@landplan.net)

**If to Buyer:** City of McKinney, Texas  
222 N. Tennessee  
McKinney, Texas 75069  
Attn: Paul G. Grimes, City Manager  
Michael Kowski, Parks Director

With a copy to: Brown & Hofmeister, L.L.P.  
740 E. Campbell, Suite 800  
Richardson, Texas 75081  
Attn: Mark S. Houser

Buyer and Seller may change the address to which notices are to be addressed by giving the other party notice in the manner herein set forth.

9.4 Environmental Review.

a) At Buyer's sole cost and expense, Buyer may, on or before the Due Diligence Date, inspect and survey the Property and perform tests and analyses of any kind relating to the Property's physical quality or physical condition at a time mutually convenient to Seller and Buyer. At its option and at the same time, Seller may perform similar tests and analyses including, but not limited to, the taking of split samples with Buyer.

(b) Except as expressly provided in this Agreement, Seller expressly disclaims any warranties as to: (i) the presence or release of hazardous materials on, in, under, or adjacent to the Property, (ii) the Property's compliance with Environmental Laws, and (iii) any potential environmental liability associated with the Property or any activities conducted on the Property.

(c) The provisions of this Section 9.4 will survive the termination of this Agreement for any reason and will survive the Closing of the transactions contemplated herein.

9.5 Governing Law. This Agreement will be construed and interpreted according to the laws of the State of Texas.

9.6 Intentionally Omitted.

9.7 Performance on Business Days. If any date for the occurrence of an event or act under this Agreement falls on a Saturday or Sunday or legal holiday in the State of Texas, then the time for the occurrence of such event or act will be extended to the next succeeding business day.

9.8 Entire Agreement. This Agreement, together with all the Exhibits attached hereto and incorporated by reference herein, constitutes the entire undertaking between the parties hereto, and supersedes any and all prior agreements, arrangements, and understandings between the parties.

9.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which will constitute an original.

9.10 “AS-IS” “WHERE-IS”. Except as expressly provided herein: (i) it is expressly acknowledged and agreed by Buyer that no representations or warranties of any kind have been made by Seller or Seller’s agents or consultants to Buyer or to Buyer’s agents or consultants with respect to the Property, including, but not limited to, all instruments, records, surveys, reports, plans, studies, investigations, and/or any other documents furnished to Buyer; and (ii) any statements whatsoever made by Seller or Seller’s agents or consultants to Buyer or to Buyer’s agents or consultants outside of this Agreement are not material and have not been relied upon by Buyer. Without limiting the generality of this acknowledgment and this Agreement, it is specifically acknowledged and agreed that the Property will be accepted by Buyer in “AS-IS” and “WHERE-IS” condition “WITH ALL FAULTS” and all latent and patent defects.

9.11 Confidentiality. Subject to the provisions and exceptions of the Texas Public Information Act, Buyer and Seller agree that all of the terms, conditions, and other provisions of this Agreement and all surveys, reports, and the like, including, without limitation, the Environmental Reports (“**Confidential Information**”), submitted to Buyer in the course of the inspections and evaluations of the Property will be held in strict confidence and will not be disclosed, except as required to by law, rule, regulation, court order, or any governmental, judicial, or regulatory process and except for disclosures to Buyer’s agents, advisors, officers, employees, attorneys, and the like on a need-to-know basis, provided Buyer’s agents, advisors, officers, employees, attorneys, and the like will be advised of the confidential nature of the Confidential Information in accordance with this Agreement. This Section 9.11 will survive the termination of this Agreement and will survive the Closing of the transactions contemplated herein.

9.12 No Offer. The submission of this Agreement to Buyer will not be deemed an offer by Seller to enter into any transaction or to enter into any other relationship with Buyer, whether on the terms contained in this Agreement or on any other terms. This Agreement will not be binding upon Buyer or Seller nor will Buyer or Seller have any obligations or liabilities or any rights with respect hereto, unless and until both Buyer and Seller have executed and delivered this Agreement. Until such execution and delivery of this Agreement, Seller may negotiate with other prospective buyers and either Buyer or Seller may terminate all negotiation and discussion of the subject matter of this Agreement without cause or for any reason, without recourse or liability.

9.13 Statutory Notice Provisions.

(a) Notice Regarding Water Districts. Buyer hereby acknowledges that the commitment may reflect that the Property is located within certain districts established pursuant to Title 4 of the Texas Water Code, Article III of the Texas Constitution, or Section 59, Article XVI of the Texas Constitution. If the Property is located within any such district, Seller may be obligated to disclose and notify Buyer of the Property’s location within any such district pursuant to, among other statutory provisions, V.T.C.A., Water Code § 49.452 and V.T.C.A., Water Code § 54.812 (collectively, the “**Statutory Notice Requirements**”). Following receipt by Seller of a copy of such commitment, Buyer and Seller will, upon Seller’s request, promptly amend this Agreement (in form

and substance reasonably satisfactory to the parties) to provide the appropriate disclosures and notices to Buyer pursuant to the Statutory Notice Requirements.

(b) Notice Regarding Possible Liability for Additional Taxes. Seller notifies Buyer under Section 5.010 of the Texas Property Code, as follows:

If for the current ad valorem tax year the taxable value of the Property that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the Property at less than its market value, the person to whom the Property is transferred may not be allowed to qualify the Property for that special appraisal in a subsequent tax year and the Property may then be appraised at its full market value. In addition, the transfer of the Property or a subsequent change in the use of the Property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the Property. The taxable value of the Property and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the Property is located.

9.14 Independent Consideration. At the same time as the Escrow Deposit is made to Title Company pursuant to the terms of this Agreement, Buyer will deliver to Seller by wire transfer of good and immediately available funds or by cashiers or certified check the sum of One Hundred and No/100 Dollars (\$100.00) (the “*Independent Consideration*”) which amount has been bargained for and agreed to as consideration for Buyer’s right to purchase the Property, and for Seller’s execution and delivery of this Agreement. The Independent Consideration is in addition to and independent of all other consideration provided in this Agreement and is nonrefundable in all events. Seller and Buyer agree that the payment of the Independent Consideration and the Escrow Deposit are sufficient consideration to support this Agreement, notwithstanding Buyer’s rights herein to terminate this Agreement.

9.15 Severability. The provisions of this Agreement will be deemed severable and the invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of the remaining provisions.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first written above.

**BUYER:**

**CITY OF MCKINNEY, TEXAS**, a Texas municipal corporation

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

Name: Paul G. Grimes


Its: City Manager

**SELLER:**

**RWR PARTNERS, L.P.**, a Texas limited partnership

By: Texas Land Management, L.L.C.,  
a Texas limited liability company,  
Co-General Partner

By:   
Jim Williams, Jr., Chairman

By:   
A.J. Reed, Co-General Partner, by Gloria  
Reed under the Statutory Durable Power of  
Attorney dated January 15, 2021

**TITLE COMPANY ACCEPTANCE**

The Title Company acknowledges receipt of the executed Agreement and Escrow Deposit on \_\_\_\_\_, 2022 at \_\_\_\_\_ (a.m./p.m.) and has accepted the Escrow Deposit subject to the terms and conditions set forth in this Agreement.

**TITLE COMPANY:**

**NAME**

By: \_\_\_\_\_  
\_\_\_\_\_, Escrow Officer

Address

\_\_\_\_\_, Texas \_\_\_\_\_

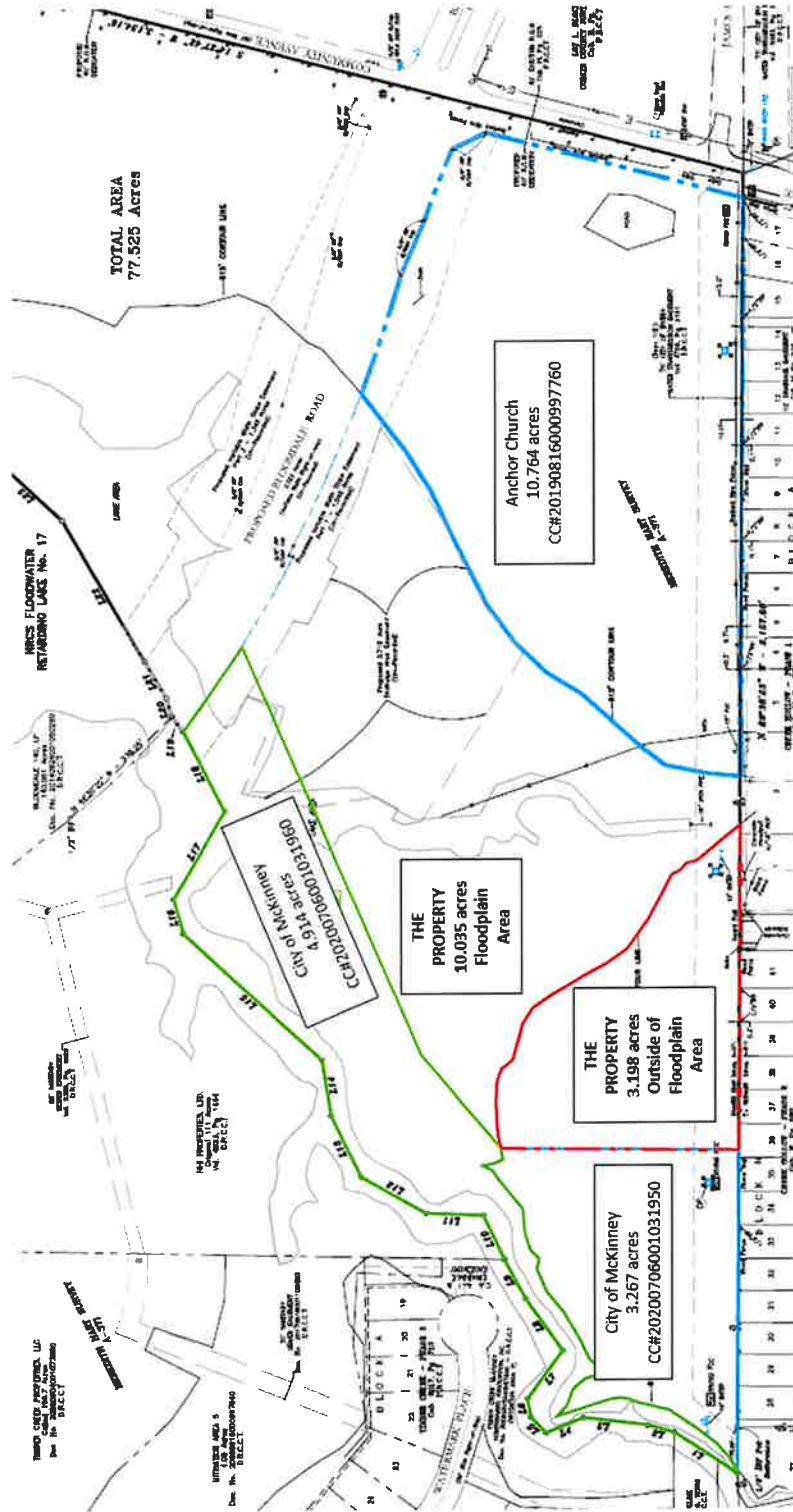
[email address]

\_\_\_\_\_ Telephone



**EXHIBIT "A"**

**DEPICTION OF PROPERTY**



**EXHIBIT "B"**

**FORM OF SPECIAL WARRANTY DEED**

**AFTER RECORDING, RETURN TO:**

\_\_\_\_\_  
\_\_\_\_\_

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

**SPECIAL WARRANTY DEED**

STATE OF TEXAS           §  
  §           KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF COLLIN       §

THAT RWR PARTNERS, L.P., a Texas limited partnership (“Grantor”) for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) cash, and other good and valuable consideration paid to Grantor by CITY OF MCKINNEY, a municipal corporation of the State of Texas, having an address of 222 N. Tennessee, McKinney, Texas 75069 (“Grantee”), the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, SOLD, and CONVEYED, and by these presents does hereby GRANT, SELL, and CONVEY, unto Grantee, certain real property in Collin County, Texas, being more particularly described in **Exhibit “A”** attached hereto and made a part hereof for all purposes, (the “Land”), together with all and singular, rights, title and interests, in and to the following, but without any warranties or representations (expressed, implied, or statutory) and without recourse: (i) the rights, benefits, privileges, easements, hereditaments, appurtenances, buildings, other improvements and interests located thereon or in anywise appertaining thereto, (ii) strips or gores, if any, between the Land and abutting or immediately adjacent properties, and (iii) any land lying in or under the bed of any street, alley, road or right-of-way, opened or proposed, abutting or immediately adjacent to the Land (collectively, the “Property”).

This conveyance is made and accepted subject to the matters shown in **Exhibit “B”** attached hereto and made a part hereof for all purposes (“Permitted Exceptions”).

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, its successors and assigns forever, subject to the Permitted Exceptions; and Grantor does hereby bind itself and its successors to WARRANT AND FOREVER DEFEND all and singular the Property unto Grantee and Grantee’s successors and assigns against every party whomsoever lawfully claiming or to

claim the same or any part thereof by, through or under Grantor, but not otherwise, except as to the Permitted Exceptions.

Current ad valorem taxes on the Property have been prorated as of the date hereof between Grantor and Grantee. When the context requires, singular nouns and pronouns include the plural.

EXECUTED as of the date of the acknowledgement, but EFFECTIVE as of \_\_\_\_\_, 20\_\_.

**GRANTOR:**

**RWR PARTNERS, L.P.**, a Texas limited partnership

By: Texas Land Management, L.L.C.,  
a Texas limited liability company,  
Co-General Partner

By: \_\_\_\_\_  
Jim Williams, Jr., Chairman

By: \_\_\_\_\_  
A.J. Reed, Co-General Partner, by Gloria  
Reed under the Statutory Durable Power of  
Attorney dated January 15, 2021

STATE OF TEXAS           §  
  §  
COUNTY OF COLLIN     §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2022, by **Jim Williams, Jr.**, in his capacity is Chairman of Texas Land Management, L.L.C., a Texas limited liability company, Co-General Partner of **RWR PARTNERS, L.P.**, known to me to be the person whose name is subscribed to the foregoing instrument.

\_\_\_\_\_  
Notary Public, State of Texas

STATE OF TEXAS           §  
  §  
COUNTY OF COLLIN       §

This instrument was acknowledged on this the \_\_\_\_ day of \_\_\_\_\_, 2022, by **Gloria Reed**, under such powers granted by that certain Statutory Durable Power of Attorney dated January 15, 2021, on behalf of A.J. Reed, Co-General Partner for **RWR PARTNERS, L.P.**, a Texas limited partnership, on behalf of said limited partnership.

\_\_\_\_\_  
Notary Public, State of Texas

- Exhibits to be attached to Special Warranty Deed:**  
Exhibit “A” – Property Description  
Exhibit “B” – Permitted Exceptions