



TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2010

1. PARTIES: Seller agrees to sell and convey to 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: First United Methodist Church of Robstown, a TX nonprofit
Address: 107 Fourth Street, Robstown, TX 78380
Phone: Fax: E-mail:

Buyer:
Address:
Phone: Fax: E-mail:

2. PROPERTY:

A. "Property" means that real property situated in Nueces County, Texas at 107 Fourth Street, Robstown, TX 78380 and that is legally described on the attached Exhibit or as follows:
Lots 9, 10, 11, 12, 13, 14, 15 and 16, Block 39, Robstown, Texas, as shown by map or plat thereof recorded in volume A, Page 80, Map Records of Nueces County, Texas

B. Seller will sell and convey the Property 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) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except:
Any personal property not included in the sale must be removed by Seller prior to closing.

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
(If mineral rights are to be reserved an appropriate addendum should be attached.)
(If the Property is a condominium, attach condominium 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. \$
B. Sum of all financing described in Paragraph 4 \$ 0.00
C. Sales price (sum of 3A and 3B). \$

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

- A. Third Party Financing: One or more third party loans in the total amount of \$\_\_\_\_\_. This contract:
  - (1) is not contingent upon Buyer obtaining third party financing.
  - (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum.
- B. Assumption: In accordance with the attached Commercial Contract Financing Addendum, Buyer will assume the existing promissory note secured by the Property, which 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 Commercial Contract Financing Addendum in the amount of \$\_\_\_\_\_.

**5. EARNEST MONEY:**

- A. ~~Not later than 3 days after~~ <sup>On</sup> the effective date, Buyer must deposit \$ 15,000.00 as earnest money with San Jacinto Title Services (escrow agent) at 520 Lawrence, Corpus Christi, TX 78401 (address) Shelly Grahmann (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.
- B. Buyer will deposit an additional amount of \$ \_\_\_\_\_ 0.00 with the escrow agent to be made part of the earnest money on or before:
  - (i) \_\_\_\_\_ days after Buyer's right to terminate under Paragraph 7B expires; or
  - (ii) \_\_\_\_\_.Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the escrow agent to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

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

A. Title Policy:

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by San Jacinto Title Services (title company), in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
  - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
  - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
  - (a) will not be amended or deleted from the title policy.
  - (b) will be amended to read "shortages in areas" at the expense of  Buyer  Seller.
- (3) Within 7 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within 20 days after the effective date:

- (1) Buyer ~~will~~ <sup>may</sup> obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/ACSM Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/ACSM Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, Seller, at Seller's expense, will obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to Buyer and the title company within 20 days after Seller receives notice that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for Seller to deliver an acceptable survey within the time required. Buyer will reimburse Seller \_\_\_\_\_ (insert amount) of the cost of the new or updated survey at closing, if closing occurs.

C. UCC Search:

- (1) Within \_\_\_\_\_ 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 \_\_\_\_\_ 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 to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title to the real or personal property described in Paragraph 2 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). If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date Buyer actually receives the survey; or (ii) the deadline specified in Paragraph 6B.~~
- ~~(2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time 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(1), 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 will not waive the requirements in Schedule C of the commitment.~~

**7. PROPERTY CONDITION:**

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: N/A

~~B. Feasibility Period: Buyer may terminate this contract for any reason within \_\_\_\_\_ days after the effective date (feasibility period) by providing Seller written notice of termination. (Check only one box.)~~

~~(1) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$\_\_\_\_\_ that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the escrow agent. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.~~

~~(2) Not later than 3 days after the effective date, Buyer must pay Seller \$\_\_\_\_\_ as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.~~

C. Inspections, Studies, or Assessments:

~~(1) Prior to the auction During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.~~

(2) Seller, at Seller's expense, will turn on all utilities necessary for Buyer to make inspections, studies, or assessments.

(3) Buyer must:

- (a) employ only trained and qualified inspectors and assessors;
- (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
- (c) abide by any reasonable entry rules or requirements of Seller;
- (d) not interfere with existing operations or occupants of the Property; and
- (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(4) 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.

D. Property Information:

(1) Delivery of Property Information: Within N/A days after the effective date, Seller will deliver to Buyer:

(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 personal property to be conveyed under this contract and copies of any leases for such personal property;
- (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 current utility capacity letters from the Property's water and sewer service provider;
- (g) copies of all current warranties and guaranties relating to all or part of the Property;
- (h) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;
- (i) copies of all leasing or commission agreements that currently relate to all or part of the Property;
- (j) a copy of the "as-built" plans and specifications and plat of the Property;
- (k) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;
- (l) a copy of Seller's income and expense statement for the Property from \_\_\_\_\_ to \_\_\_\_\_;
- (m) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
- (n) real & personal property tax statements for the Property for the previous 2 calendar years; and
- (o) \_\_\_\_\_

(2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer and all copies that Buyer made of those items; and (b) deliver copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed. This Paragraph 7D(2) survives termination of this contract.

E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

## 8. LEASES:

A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:

- (1) any failure by Seller to comply with Seller's obligations under the leases;
- (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (3) any non-occupancy of the leased premises by a tenant;
- (4) any advance sums paid by a tenant under any lease;
- (5) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (6) 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.

B. Estoppel Certificates: Within N/A days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than N/A by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TAR Form 1938 – Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

9. **BROKERS:**

A. The brokers to this sale are:

<u>Gordon V. Parnes</u>	<u>0324680</u>
Principal Broker	License No.
<hr/>	
Agent	
<u>21991 Loma View East</u>	
Address	
<u>San Antonio, TX 78259</u>	
<hr/>	
<u>210-481-2843</u>	
Phone	Fax
<u>gordonparnes@hotmail.com</u>	
E-Mail	License No.

<u>N/A</u>	
Cooperating Broker	License No.
<hr/>	
Agent	
<hr/>	
Address	
<hr/>	
Phone	Fax
<hr/>	
E-Mail	License No.

Principal Broker: *(Check only one box)*  
 represents Seller only.  
 represents Buyer only.  
 is an intermediary between Seller and Buyer.

Cooperating Broker represents Buyer.

B. Fees: *(Check only (1) or (2) below.)*

(1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.

(2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of:

- \_\_\_\_\_ % of the sales price.
- \_\_\_\_\_.

Cooperating Broker a total cash fee of:

- \_\_\_\_\_ % of the sales price.
- \_\_\_\_\_.

The cash fees will be paid in \_\_\_\_\_ County, Texas. Seller authorizes escrow agent to pay the brokers from the Seller's proceeds at closing.

*NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.*

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. **CLOSING:**

A. The date of the closing of the sale (closing date) will be on or before the later of:

(1)  \_\_\_\_\_ days after the expiration of the feasibility period.

May 5, 2014 (specific date).

\_\_\_\_\_.

~~(2) 7 days after objections made under Paragraph 6D have been cured or waived.~~

- B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.
- C. At closing, Seller will execute and deliver to Buyer, at Seller's expense, a  general  special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:
- (1) with no liens, assessments, or Uniform Commercial Code or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
  - (2) without any assumed loans in default; and
  - (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.
- D. At closing, Seller, at Seller's expense, will also deliver to Buyer:
- (1) tax statements showing no delinquent taxes on the Property;
  - (2) a bill of sale with warranties to title conveying title, free and clear of all liens, to any personal property defined as part of the Property in Paragraph 2 or sold under this contract;
  - (3) an assignment of all leases to or on the Property;
  - (4) to the extent that the following items are assignable, an assignment to Buyer of the following items as they relate to the Property or its operations:
    - (a) licenses and permits;
    - (b) maintenance, management, and other contracts; and
    - (c) warranties and guaranties;
  - (5) a rent roll current on the day of the closing certified by Seller as true and correct;
  - (6) evidence that the person executing this contract is legally capable and authorized to bind Seller;
  - (7) an affidavit acceptable to the escrow agent stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the escrow agent to: (i) withhold from Seller's proceeds an amount sufficient to comply applicable tax law; and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and
  - (8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.
- E. At closing, Buyer will:
- (1) pay the sales price in good funds acceptable to the escrow agent;
  - (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
  - (3) sign and send to each tenant in the Property a written statement that:
    - (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
    - (b) specifies the exact dollar amount of the security deposit;
  - (4) sign an assumption of all leases then in effect; and
  - (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.
- F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

**11. POSSESSION:** Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. 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.

**12. SPECIAL PROVISIONS:** *(If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)*

A. At Closing Buyer will pay Elco Auctions a Buyer's Premium equal to 10% (ten percent) of the bid price.

**13. SALES EXPENSES:**

A. Seller's Expenses: Seller will pay for the following at or before closing:

- (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
- (2) release of Seller's loan liability, if applicable;
- (3) tax statements or certificates;
- (4) preparation of the deed and any bill of sale;
- (5) one-half of any escrow fee;
- (6) costs to record any documents to cure title objections that Seller must cure; and
- (7) other expenses that Seller will pay under other provisions of this contract.

B. Buyer's Expenses: Buyer will pay for the following at or before closing:

- (1) all loan expenses and fees;
- (2) preparation fees of any deed of trust;
- (3) recording fees for the deed and any deed of trust;
- (4) premiums for flood and hazard insurance as may be required by Buyer's lender;
- (5) one-half of any escrow fee; and
- (6) other expenses that Buyer will pay under other provisions of this contract.

**14. PRORATIONS:**

A. Prorations:

- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
- (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
- (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

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 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 14B survives closing.



- C. **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 14C survives closing.

**15. DEFAULT:**

- A. If Buyer fails to comply with this contract, Buyer is in default and Seller may:
- (1) terminate this contract and receive the earnest money, as liquidated damages and as Seller's sole remedy; or
  - (2) seek any other relief provided by law. Seller  may  may not enforce specific performance.
- B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:
- (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
  - (2) extend the time for performance up to 15 days and the closing will be extended as necessary.
- C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:
- (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
  - (2) enforce specific performance, or seek such other relief as may be provided by law, or both.

**16. 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 any independent consideration under Paragraph 7B(1), will be refunded to Buyer;
  - (2) extend the time for performance up to 15 days and closing will be extended as necessary; or
  - (3) accept at closing: (i) the Property in its damaged condition; (ii) an assignment of any insurance proceeds Seller is entitled to receive along with the insurer's consent to the assignment; and (iii) a credit to the sales price in the amount of any unpaid deductible under the policy for the loss.
- B. If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:
- (1) terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer; or
  - (2) appear and defend the condemnation proceedings and any award will, at Buyer's election, belong to: (a) Seller and the sales price will be reduced by the same amount; or (b) Buyer and the sales price will not be reduced.

- 17. ATTORNEY'S FEES:** If Buyer, Seller, any broker, or any escrow agent is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

**18. ESCROW:**

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, escrow agent may require

payment of unpaid expenses incurred on behalf of the parties and a written release of liability of escrow agent from all parties.

- B. If one party makes written demand for the earnest money, escrow agent will give notice of the demand by providing to the other party a copy of the demand. If escrow agent does not receive written objection to the demand from the other party within 15 days after the date escrow agent sent the demand to the other party, escrow agent may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors.
- C. Escrow agent will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- D. If escrow agent complies with this Paragraph 18, each party hereby releases escrow agent from all claims related to the disbursement of the earnest money.
- E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to escrow agent are effective upon receipt by escrow agent.
- F. Any party who wrongfully fails or refuses to sign a release acceptable to escrow agent within 7 days after receipt of the request will be liable to the other party for liquidated damages in an amount equal to the sum of: (i) three times the amount of the earnest money; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- G.  Seller  Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

**19. MATERIAL FACTS:** To the best of Seller's knowledge and belief: *(Check only one box.)*

- A. Seller is not aware of any material defects to the Property except as stated in the attached Property Condition Statement.
- B. Except as otherwise provided in this contract, Seller is not aware of:
  - (1) any subsurface: structures, pits, waste, springs, or improvements;
  - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
  - (3) any environmental hazards or conditions that materially affect the Property;
  - (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
  - (5) whether radon, asbestos containing materials, 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;
  - (6) any wetlands, as defined by federal or state law or regulation, on the Property;
  - (7) any threatened or endangered species or their habitat on the Property;
  - (8) any present or past infestation of wood-destroying insects in the Property's improvements;
  - (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
  - (10) any material physical defects in the improvements on the Property; or
  - (11) any condition on the Property that violates any law or ordinance.

*(Describe any exceptions to (1)-(11) in Paragraph 12 or an addendum.)*

**20. 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.

- A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

**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 parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

**22. AGREEMENT OF THE PARTIES:**

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.
- B. This contract contains the entire agreement of the parties and may not be changed except in writing.
- C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- D. Addenda which are part of this contract are: *(Check all that apply.)*
  - (1) Property Description Exhibit identified in Paragraph 2;
  - (2) Commercial Contract Condominium Addendum (TAR-1930);
  - (3) Commercial Contract Financing Addendum (TAR-1931);
  - (4) Commercial Property Condition Statement (TAR-1408);
  - (5) Commercial Contract Addendum for Special Provisions (TAR-1940);
  - (6) Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TAR-1906);
  - (7) Notice to Purchaser of Real Property in a Water District (MUD);
  - (8) Addendum for Coastal Area Property (TAR-1915);
  - (9) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916);
  - (10) Information About Brokerage Services; and
  - (11) Information About Special Flood Hazard Areas

---

*(Note: Counsel for the Texas Association of REALTORS® (TAR) has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by TAR are appropriate for use with this form.)*

- E. Buyer  may  may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all of Buyer's obligations under this contract.

**23. TIME:** Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

**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.

**25. ADDITIONAL NOTICES:**

- 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, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.
- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included as part of this contract.
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract.
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. If apartments or other residential units are on the Property and the units were built before 1978, federal law requires a lead-based paint and hazard disclosure statement to be made part of this contract.
- H. Section 1958.154, Occupations Code requires Seller to provide Buyer a copy of any mold remediation certificate issued for the Property during the 5 years preceding the date the Seller sells the Property.
- I. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers.

**26. CONTRACT AS OFFER:** The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on N/A the offer will lapse and become null and void.

**READ THIS CONTRACT CAREFULLY.** The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. **CONSULT your attorney BEFORE signing.**

Seller: First United Methodist Church of Robstown

Buyer: \_\_\_\_\_

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

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

By (signature): \_\_\_\_\_

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

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

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

By (signature): \_\_\_\_\_

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREEMENT BETWEEN BROKERS**

*(use only if Paragraph 9B(1) is effective)*

Principal Broker agrees to pay N/A (Cooperating Broker) a fee when the Principal Broker's fee is received. The fee to be paid to Cooperating Broker will be:

- \$ \_\_\_\_\_, or
- \_\_\_\_\_ % of the sales price, or
- \_\_\_\_\_ % of the Principal Broker's fee.

Escrow agent is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker  
By: \_\_\_\_\_

Cooperating Broker:  
By: \_\_\_\_\_

**ATTORNEYS**

Seller's attorney: \_\_\_\_\_

Buyer's attorney: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

Phone & Fax: \_\_\_\_\_

Phone & Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_

Seller's attorney requests copies of documents, notices, and other information :

- the title company sends to Buyer.
- Seller sends to Buyer.

Buyer's attorney requests copies of documents, notices, and other information:

- the title company sends to Seller.
- Buyer sends to Seller.

**ESCROW RECEIPT**

Escrow agent acknowledges receipt of:

- A. the contract on this day \_\_\_\_\_ (effective date);
- B. earnest money in the amount of \$ 15,000.00 in the form of \_\_\_\_\_ on \_\_\_\_\_.

Escrow Agent: San Jacinto Title Services

Address: 520 Lawrence, Corpus Christi, TX 78401

Shelly Grahmann

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

Phone & Fax: \_\_\_\_\_

Assigned file number (GF#): \_\_\_\_\_

E-mail: \_\_\_\_\_



TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL PROPERTY CONDITION STATEMENT

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2010

CONCERNING THE PROPERTY AT: First Methodist Church Robstown 78380

THIS IS A DISCLOSURE OF THE SELLER'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED. IT IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES A BUYER OR TENANT MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER, SELLER'S AGENTS, OR ANY OTHER AGENT.

PART 1 - Complete if Property is Improved or Unimproved

Are you (Seller) aware of:
(1) any of the following environmental conditions on or affecting the Property:
(a) radon gas?
(b) asbestos components:
(i) friable components?
(ii) non-friable components?
(c) urea-formaldehyde insulation?
(d) endangered species of their habitat?
(e) wetlands?
(f) underground storage tanks?
(g) leaks in any storage tanks (underground or above-ground)?
(h) lead-based paint?
(i) hazardous materials or toxic waste?
(j) open or closed landfills on or under the surface of the Property?
(k) external conditions materially and adversely affecting the Property such as nearby landfills, smelting plants, burners, storage facilities of toxic or hazardous materials, refiners, utility transmission lines, mills, feed lots, and the like?
(l) any activity relating to drilling or excavation sites for oil, gas, or other minerals?
(2) previous environmental contamination that was on or that materially and adversely affected the Property, including but not limited to previous environmental conditions listed in Paragraph 1(a)-(l)?
(3) any part of the Property lying in a special flood hazard area (A or V Zone)?
(4) any improper drainage onto or away from the Property?
(5) any fault line or near the Property that materially and adversely affects the Property?
(6) outstanding mineral rights, exceptions, or reservations of the Property held by others?
(7) air space restrictions or easements on or affecting the Property?
(8) unrecorded or unplatted agreements for easements, utilities, or access on or to the Property?

- |   | <u>Aware</u>                        | <u>Not<br/>Aware</u>                |
|---|-------------------------------------|-------------------------------------|
| (9) special districts in which the Property lies (for example, historical districts, development districts, extraterritorial jurisdictions, or others)?.....  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (10) pending changes in zoning, restrictions, or in physical use of the Property?.....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (11) your receipt of any notice concerning any likely condemnation, planned streets, highways, railroads, or developments that would materially and adversely affect the Property (including access or visibility)?.....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (12) lawsuits affecting title to or use or enjoyment of the Property?.....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (13) your receipt of any written notices of violations of zoning, deed restrictions, or government regulations from EPA, OSHA, TCEQ, or other government agencies?.....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (14) common areas or facilities affiliated with the Property co-owned with others?.....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (15) an owners' or tenants' association or maintenance fee or assessment affecting the Property?.....<br>If aware, name of association: _____<br>Name of manager: _____<br>Amount of fee or assessment: \$ _____ per _____<br>Are fees current through the date of this notice? <input type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> unknown | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (16) subsurface structures, hydraulic lifts, or pits on the Property?.....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (17) intermittent or weather springs that affect the Property?.....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (18) any material defect in any irrigation system, fences, or signs on the Property?.....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (19) conditions on or affecting the Property that materially affect the health or safety of an ordinary individual?.....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

If you are aware of any of the conditions listed above, explain. (Attach additional information if needed.)

*SEE ATTACHED.*

**PART 2 – Complete only if Property is Improved**

A. Are you (Seller) aware of any material defects in any of following on the Property?

- |   | <u>Aware</u>                        | <u>Not<br/>Aware</u>                | <u>Not<br/>Appl.</u>                |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| (1) <u>Structural Items:</u>  |                                     |                                     |                                     |
| (a) foundation systems (slabs, columns, trusses, bracing, crawl spaces, piers, beams, footings, retaining walls, basement, grading)?.....             | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
| (b) exterior walls? .....   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (c) fireplaces and chimneys? .....  | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (d) roof, roof structure, or attic (covering, flashing, skylights, insulation, roof penetrations, ventilation, gutters and downspouts, decking)?..... | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            |
| (e) windows, doors, plate glass, or canopies .....  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

	<u>Aware</u>	<u>Not Aware</u>	<u>Not Appl.</u>
<b>(2) <u>Plumbing Systems:</u></b>			
(a) water heaters or water softeners? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(b) supply or drain lines? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c) faucets, fixtures, or commodes? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(d) private sewage systems? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) pools or spas and equipments? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(f) sprinkler systems? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) water coolers? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) private water wells? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(i) pumps or sump pumps? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>(3) <u>HVAC Systems:</u> any cooling, heating, or ventilation systems? .....</b>			
<b>(4) <u>Electrical Systems:</u> service drops, wiring, connections, conductors, plugs, grounds, power, polarity, switches, light fixtures, or junction boxes? .....</b>			
<b>(5) <u>Other Systems or Items:</u></b>			
(a) security or fire detection systems? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(b) porches or decks? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c) gas lines? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(d) garage doors and door operators? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) loading doors or docks? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(f) rails or overhead cranes? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(g) elevators or escalators? .....	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(h) parking areas, drives, steps, walkways? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(i) appliances or built-in kitchen equipment? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If you are aware of material defects in any of the items listed under Paragraph A, explain. *(Attach additional information if needed.)*

*SEE ATTACHED.*

B. Are you (Seller) aware of:

	<u>Aware</u>	<u>Not Aware</u>
<b>(1) any of the following water or drainage conditions materially and adversely affecting the Property:</b>		
(a) ground water? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) water penetration? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c) previous flooding or water drainage? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(d) soil erosion or water ponding? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>



	<u>Aware</u>	<u>Not Aware</u>
(2) previous structural repair to the foundation systems on the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) settling or soil movement materially and adversely affecting the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) pest infestation from rodents, insects, or other organisms on the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) termite or wood rot damage on the Property needing repair? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(6) mold to the extent that it materially and adversely affects the Property? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(7) mold remediation certificate issued for the Property in the previous 5 years? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>if yes, attach a copy of the mold remediation certificate.</i>		
(8) previous termite treatment on the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(9) previous fires that materially affected the Property? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(10) modifications made to the Property without necessary permits or not in compliance with building codes in effect at the time? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(11) any part, system, or component in or on the Property not in compliance with the the Americans with Disabilities Act or the Texas Architectural Barrier Statute? .....	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If you are aware of any of conditions described under Paragraph B, explain. (Attach additional information, if needed.)

*SEE ATTACHED.*

Seller: First United Methodist Church

By: CHAIR, TRUSTEES

By (signature): Sandy Wright

Printed Name: SANDY WRIGHT

Title: CHAIR, TRUSTEES Date: \_\_\_\_\_

By: TRUSTEE

By (signature): Richard Gillegie

Printed Name: RICHARD GILLEGIE

Title: TRUSTEE Date: \_\_\_\_\_

The undersigned acknowledges receipt of the foregoing statement.

Buyer or Tenant: \_\_\_\_\_

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

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

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

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**NOTICE TO BUYER OR TENANT:** The broker representing Seller and the broker representing you advise you that this statement was completed by Seller, as of the date signed. The brokers have relied on this statement as true and correct and have no reason to believe it to be false or inaccurate. YOU ARE ENCOURAGED TO HAVE AN INSPECTOR OF YOUR CHOICE INSPECT THE PROPERTY.

Part 1

- 1.(b)(i) The floor in the side rooms in the basement may be asbestos but no formal testing has been done or received.
- 1.(h) Seller believes that, solely based on the age of the building, that lead based paint may be present.
- 9. The property is a historical site designated by the State of Texas.

Part 2

- A.(1)(a) Basement allows water entry into basement.
- A.(1)(d) Roof leaks, in need of repair.
- A.(2)(i) One sump pump is not working
- A.(3) HVAC (heater) in need of repair
- A.(5)(h) Sidewalks in need of repair
- B.(1)(b) Water penetration through basement walls and roof.
- B.(1)(c) Basement has flooded.
- B.(1)(d) Small amount of ponding on south lawn.
- B.(5) Wood rot damages in the basement due to flooding.
- B.(6) Some mold/mildew believed to be in basement due to flooding, no remedial action has been taken.
- B.(11) Building has been grandfathered.



ADDENDUM FOR SELLER'S DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS AS REQUIRED BY FEDERAL LAW

CONCERNING THE PROPERTY AT 107 Fourth Street, Robstown, TX (Street Address and City)

A. LEAD WARNING STATEMENT: "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-paint hazards is recommended prior to purchase."

NOTICE: Inspector must be properly certified as required by federal law.

B. SELLER'S DISCLOSURE:

- 1. PRESENCE OF LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS (check one box only):
(a) Known lead-based paint and/or lead-based paint hazards are present in the Property (explain):
(b) Seller has no actual knowledge of lead-based paint and/or lead-based paint hazards in the Property.
2. RECORDS AND REPORTS AVAILABLE TO SELLER (check one box only):
(a) Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the Property (list documents):
(b) Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Property.

C. BUYER'S RIGHTS (check one box only):

- 1. Buyer waives the opportunity to conduct a risk assessment or inspection of the Property for the presence of lead-based paint or lead-based paint hazards.
2. Within ten days after the effective date of this contract, Buyer may have the Property inspected by inspectors selected by Buyer. If lead-based paint or lead-based paint hazards are present, Buyer may terminate this contract by giving Seller written notice within 14 days after the effective date of this contract, and the earnest money will be refunded to Buyer.

D. BUYER'S ACKNOWLEDGMENT (check applicable boxes):

- 1. Buyer has received copies of all information listed above.
2. Buyer has received the pamphlet Protect Your Family from Lead in Your Home.

E. BROKERS' ACKNOWLEDGMENT: Brokers have informed Seller of Seller's obligations under 42 U.S.C. 4852d to: (a) provide Buyer with the federally approved pamphlet on lead poisoning prevention; (b) complete this addendum; (c) disclose any known lead-based paint and/or lead-based paint hazards in the Property; (d) deliver all records and reports to Buyer pertaining to lead-based paint and/or lead-based paint hazards in the Property; (e) provide Buyer a period of up to 10 days to have the Property inspected; and (f) retain a completed copy of this addendum for at least 3 years following the sale. Brokers are aware of their responsibility to ensure compliance.

F. CERTIFICATION OF ACCURACY: The following persons have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Buyer Date Seller First United Methodist Church of Robst Date
Buyer Date Seller Date
Other Broker Date Listing Broker Date

The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. Such approval relates to this contract form only. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (http://www.trec.texas.gov)



**ADDENDUM FOR  
COASTAL AREA PROPERTY**  
(SECTION 33.135, TEXAS NATURAL RESOURCES CODE)

**TO CONTRACT CONCERNING THE PROPERTY AT**

107 Fourth Street, Robstown, TX 78380

(Address of Property)

**NOTICE REGARDING COASTAL AREA PROPERTY**

1. The real property described in and subject to this contract adjoins and shares a common boundary with the tidally influenced submerged lands of the state. The boundary is subject to change and can be determined accurately only by a survey on the ground made by a licensed state land surveyor in accordance with the original grant from the sovereign. The owner of the property described in this contract may gain or lose portions of the tract because of changes in the boundary.
2. The seller, transferor, or grantor has no knowledge of any prior fill as it relates to the property described in and subject to this contract except: \_\_\_\_\_  
\_\_\_\_\_
3. State law prohibits the use, encumbrance, construction, or placing of any structure in, on, or over state-owned submerged lands below the applicable tide line, without proper permission.
4. The purchaser or grantee is hereby advised to seek the advice of an attorney or other qualified person as to the legal nature and effect of the facts set forth in this notice on the property described in and subject to this contract. Information regarding the location of the applicable tide line as to the property described in and subject to this contract may be obtained from the surveying division of the General Land Office in Austin.

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller **First United Methodist Church of Robstown, a**

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>) TREC No. 33-2 This form replaces TREC No. 33-1.



Approved by the Texas Real Estate Commission for Voluntary Use  
 Texas law requires all real estate licensees to give the following information about  
 brokerage services to prospective buyers, tenants, sellers and landlords.

# Information About Brokerage Services

**B**efore working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

**If you choose to have a broker represent you,** you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

**IF THE BROKER REPRESENTS THE OWNER:**

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written - listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

**IF THE BROKER REPRESENTS THE BUYER:**

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

**IF THE BROKER ACTS AS AN INTERMEDIARY:**

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an

Real estate licensee asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant \_\_\_\_\_ Date \_\_\_\_\_

Texas Real Estate Brokers and Salespersons are licensed and regulated by the Texas Real Estate Commission (TREC). If you have a question or complaint regarding a real estate licensee, you should contact TREC at P.O. Box 12188, Austin, Texas 78711-2188 , 512-936-3000 (<http://www.trec.texas.gov>)

TREC No. OP-K



TEXAS ASSOCIATION OF REALTORS®

## INFORMATION ABOUT SPECIAL FLOOD HAZARD AREAS

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.  
©Texas Association of REALTORS®, Inc., 2008

**CONCERNING THE PROPERTY AT 107 Fourth Street, Robstown, TX 78380**

### A. FLOOD AREAS:

- (1) The Federal Emergency Management Agency (FEMA) designates areas that have a high risk of flooding as special flood hazard areas.
- (2) A property that is in a special flood hazard area lies in a "V-Zone" or "A-Zone" as noted on flood insurance rate maps. Both V-Zone and A-Zone areas are areas with high risk of flooding. The V-Zone is the area of highest risk.
- (3) Some properties may also lie in the "floodway" which is the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge a flood under FEMA rules. Communities must regulate development in these floodways.

### B. AVAILABILITY OF FLOOD INSURANCE:

- (1) Generally, flood insurance is available regardless of whether the property is located in or out of a special flood hazard area. Contact your insurance agent to determine if any limitations or restrictions apply to the property in which you are interested.
- (2) FEMA encourages every property owner to purchase flood insurance regardless of whether the property is in a high, moderate, or low risk flood area.
- (3) A homeowner may obtain flood insurance coverage (up to certain limits) through the National Flood Insurance Program. Supplemental coverage is available through private insurance carriers.
- (4) A mortgage lender making a federally related mortgage will require the borrower to maintain flood insurance if the property is in a special flood hazard area.

### C. GROUND FLOOR REQUIREMENTS:

- (1) Many homes in special flood hazard areas are built-up or are elevated. In elevated homes the ground floor typically lies below the base flood elevation and the first floor is elevated on piers, columns, posts, or piles. The base flood elevation is the highest level at which a flood is likely to occur as shown on flood insurance rate maps.
- (2) Federal, state, county, and city regulations:
  - (a) restrict the use and construction of any ground floor enclosures in elevated homes that are in special flood hazard areas; and
  - (b) may prohibit or restrict the remodeling, rebuilding, and redevelopment of property and improvements in the floodway.
- (3) The first floor of all homes must now be built above the base flood elevation.
  - (a) Older homes may have been built in compliance with applicable regulations at the time of construction and may have first floors that lie below the base flood elevation, but flood insurance rates for such homes may be significant.
  - (b) It is possible that modifications were made to a ground floor enclosure after a home was first built. The modifications may or may not comply with applicable regulations and may or may not affect flood insurance rates.

- (c) It is important for a buyer to determine if the first floor of a home is elevated at or above the base flood elevation. It is also important for a buyer to determine if the property lies in a floodway.
- (4) Ground floor enclosures that lie below the base flood elevation may be used only for: (i) parking; (ii) storage; and (iii) building access. Plumbing, mechanical, or electrical items in ground floor enclosures that lie below the base flood elevation may be prohibited or restricted and may not be eligible for flood insurance coverage. Additionally:
  - (a) in A-Zones, the ground floor enclosures below the base flood elevation must have flow-through vents or openings that permit the automatic entry and exit of floodwaters;
  - (b) in V-Zones, the ground floor enclosures must have break-away walls, screening, or lattice walls; and
  - (c) in floodways, the remodeling or reconstruction of any improvements may be prohibited or otherwise restricted.

**D. COMPLIANCE:**

- (1) The above-referenced property may or may not comply with regulations affecting ground floor enclosures below the base flood elevation.
- (2) A property owner's eligibility to purchase or maintain flood insurance, as well as the cost of the flood insurance, is dependent on whether the property complies with the regulations affecting ground floor enclosures.
- (3) A purchaser or property owner may be required to remove or modify a ground floor enclosure that is not in compliance with city or county building requirements or is not entitled to an exemption from such requirements.
- (4) A flood insurance policy maintained by the current property owner does not mean that the property is in compliance with the regulations affecting ground floor enclosures or that the buyer will be able to continue to maintain flood insurance at the same rate.
- (5) Insurance carriers calculate the cost of flood insurance using a rate that is based on the elevation of the lowest floor.
  - (a) If the ground floor lies below the base flood elevation and does not meet federal, state, county, and city requirements, the ground floor will be the lowest floor for the purpose of computing the rate.
  - (b) If the property is in compliance, the first elevated floor will be the lowest floor and the insurance rate will be significantly less than the rate for a property that is not in compliance.
  - (c) If the Property lies in a V-Zone the flood insurance rate will be impacted if a ground floor enclosure below the base flood elevation exceeds 299 square feet (even if constructed with break-away walls).

**You are encouraged to:**

- (1) inspect the property for all purposes, including compliance with any ground floor enclosure requirement;**
- (2) review the flood insurance policy (costs and coverage) with your insurance agent; and**
- (3) contact the building permitting authority if you have any questions about building requirements or compliance issues.**

Receipt acknowledged by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

(TAR 1414) 7-16-08

Page 2 of 2