

Real Estate Sales Contract

This contract to buy and sell real property is between Seller and Buyer as identified below and is effective on the date ("Effective Date") of the last of the signatures by Seller and Buyer as parties to this contract and by Title Company to acknowledge receipt of the Initial Earnest Money. Buyer must deliver the Initial Earnest Money to Title Company and obtain Title Company's signature before the Initial Earnest Money Deadline provided in paragraph A.1. for this contract to be effective. If the Earnest Money is paid by check and payment on presentation is refused, Buyer is in default.

Seller: William Nixon

Address: 9389 FM 148
Scurry, TX 75158

Phone: 214-202-6191

Fax: _____

E-mail: _____

Type of entity: Individual residing in the State of Texas

Seller's Broker: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

Buyer: Scurry-Rosser Independent School District, a Texas political subdivision of the State of Texas

Address: 10705 South State Highway 34
Scurry, TX 75158

Phone: 972-452-8823

Fax: 972-452-8586

E-mail: N/A

Type of entity: a Texas political subdivision of the State of Texas

Buyer's Attorney: Stephen E. Dubner

Address: 2785 Rockbrook Dr., Suite 205, Lewisville, TX 75067

Phone: (940) 239-7568

Fax: (866) 611-0725

E-mail: steve@dubnerlaw.com

Property: The land and improvements commonly known as 9389 S. FM 148, Scurry, TX 75158 and more fully described in Exhibit A ("Land").

Title Company: Kaufman County Title & Abstract Co.

Address: 2309 S. Washington St., Kaufman, TX 75142

Phone: (469) 376-5004

Fax: _____

Purchase Price:

Cash portion: \$220,000.00

Total purchase price: \$220,000.00

Earnest Money

Initial Earnest Money: 500.00

Surveyor: To be determined.

Survey Category: As otherwise requested by Buyer

County for Performance: Kaufman

A. Deadlines and Other Dates

All deadlines in this contract expire at 5:00 P.M. local time where the Property is located. If a deadline falls on a Saturday, Sunday, or holiday, the deadline will be extended to the next day that is not a Saturday, Sunday, or holiday. A holiday is a day, other than a Saturday or

Sunday, on which state or local governmental agencies and financial institutions are not generally open for business. Time is of the essence.

A.1. Initial Earnest Money Deadline: Within two (2) days after execution

A.2. Delivery of Title Commitment: 5 days after the Effective Date, unless the Title Company is unable to process within the timeline.

A.3. Delivery of Survey: 5 days after the Effective Date

A.4. Delivery of legible copies of instruments referenced in the Title Commitment and Survey: 7 days after the Effective Date, unless Title Company is unable to process within the timeline.

A.5. Delivery of Title Objections: 5 days after delivery of the Title Commitment, Survey, and legible copies of the instruments referenced in them

A.6. Delivery of Seller's records as specified in Exhibit C: 5 days after the Effective Date

A.7. End of Inspection Period: 20 days after the Effective Date, subject to paragraph G.6

A.8. Additional Earnest Money Deadline: N/A

A.9. Closing Date: No more than 40 days after receipt of Title Commitment

A.10. Closing Time: 10:00 a.m. Local Time

B. Closing Documents

B.1. At Closing, Seller will deliver the following items:

General Warranty Deed

IRS Nonforeign Person Affidavit

Evidence of Seller's authority to close this transaction

Notices, statements, and certificates as specified in Exhibit D

All other documents reasonably required by the Title Company or Buyer in order to close the transaction contemplated hereby.

B.2. At Closing, Buyer will deliver the following items:

Balance of Purchase Price

Evidence of Buyer's authority to close this transaction

All other documents reasonably required by the Title Company or Seller in order to close the transaction contemplated hereby.

The documents listed in this section B are collectively known as the "Closing Documents." Unless otherwise agreed by the parties before Closing, the Closing Documents for which forms exist in the current edition of the *Texas Real Estate Forms Manual* (State Bar of Texas) will be prepared using those forms.

C. Exhibits

The following are attached to and are a part of this contract:

Exhibit A--Description of the Land

Exhibit B--Representations; Environmental Matters

Exhibit C--Seller's Records

Exhibit D--Notices, Statements, and Certificates

D. Purchase and Sale of Property

Purchase and Sale Agreement. Seller agrees to sell and convey the Property to Buyer, and Buyer agrees to buy and pay Seller for the Property. The promises by Buyer and Seller stated in this contract are the consideration for the formation of this contract. **Seller and Buyer agree that this Agreement shall not be binding upon or enforceable against Buyer until the Board of Trustees of the Scurry-Rosser Independent School District has approved this Agreement in a properly noticed open meeting of the Board of Trustees. Additionally, Seller and Buyer agree that this Agreement shall not be binding upon or enforceable against Buyer until Buyer obtains an appraisal that indicates the property has a value equal to or exceeds the purchase property price.**

E. Interest on Earnest Money

Buyer may direct Title Company to invest the Earnest Money in an interest-bearing account in a federally insured financial institution by giving notice to Title Company and satisfying Title Company's requirements for investing the Earnest Money in an interest-bearing account. Any interest earned on the Earnest Money will become part of the Earnest Money.

F. Title and Survey

F.1. Review of Title. The following statutory notice is provided to Buyer on behalf of the real estate licensees, if any, involved in this transaction: Buyer is advised that it should either have the abstract covering the Property examined by an attorney of Buyer's own selection or be furnished with or obtain a policy of title insurance.

F.2. Title Commitment; Title Policy. "Title Commitment" means a Commitment for Issuance of an Owner Policy of Title Insurance by Title Company, as agent for Underwriter, or directly by Underwriter, stating the condition of title to the Land. The "effective date" stated in the Title Commitment must be after the Effective Date of this contract. "Title Policy" means an Owner Policy of Title Insurance issued by Title Company, as agent for Underwriter, or directly by Underwriter, in conformity with the last Title Commitment delivered to and approved by Buyer.

F.3. Survey. "Survey" means an on-the-ground, staked plat of survey and metes-and-bounds description of the Land, prepared by Surveyor or another surveyor satisfactory to Title Company, dated after the Effective Date, and certified to Buyer to comply with the current standards and specifications as published by the Texas Society of Professional Surveyors for the Survey Category.

F.4. Delivery of Title Commitment, Survey, and Legible Copies. Seller must deliver the Title Commitment to Buyer and Buyer's attorney by the deadline stated in paragraph A.2.; the Survey by the deadline stated in paragraph A.3.; and legible copies of the instruments referenced in the Title Commitment and Survey by the deadline stated in paragraph A.4.

F.5. Title Objections. Buyer has until the deadline stated in paragraph A.5. ("Title Objection Deadline") to review the Survey, Title Commitment, and legible copies of the title instruments referenced in them and notify Seller of Buyer's objections to any of them ("Title Objections"). Buyer will be deemed to have approved all matters reflected by the Survey and Title Commitment to which Buyer has made no Title Objection by the Title Objection Deadline. The matters that Buyer either approves or is deemed to have approved are "Permitted Exceptions." If Buyer notifies Seller of any Title Objections, Seller has five days from receipt of Buyer's notice to notify Buyer whether Seller agrees to cure the Title Objections before closing ("Cure Notice"). If Seller does not timely give its Cure Notice or timely gives its Cure Notice but does not agree to cure all the Title Objections before closing, Buyer may, within five days after the deadline for the giving of Seller's Cure Notice, notify Seller that either this contract is terminated or Buyer will proceed to close, subject to Seller's obligations to remove all liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date, and cure only the Title Objections that Seller has agreed to cure in the Cure Notice. At or before closing, Seller must remove all liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date of this contract, and cure the Title Objections that Seller has agreed to cure.

G. Inspection Period

G.1. Review of Seller's Records. Seller will deliver to Buyer copies of Seller's records specified in Exhibit C, or otherwise make those records available for Buyer's review, by the deadline stated in paragraph A.6.

G.2. Entry onto the Property. Buyer may enter the Property before Closing to inspect it at Buyer's cost, subject to the following:

G.2.a. Buyer must deliver evidence to Seller that Buyer has liability insurance for its proposed inspection activities, with coverages and in amounts that are substantially the same as those maintained by Seller or with such lesser coverages and in such lesser amounts as are reasonably satisfactory to Seller.

G.2.b. Buyer may not interfere in any material manner with existing operations or occupants of the Property.

G.2.c. Buyer must notify Seller in advance of Buyer's plans to conduct tests so that Seller may be present during the tests.

G.2.d. If the Property is physically altered because of Buyer's inspections, Buyer must return the Property to its preinspection condition promptly after the alteration occurs.

G.2.e. Buyer must deliver to Seller copies of all inspection reports that Buyer receives from third-party consultants or contractors within three days after their preparation or receipt.

G.2.f. Buyer must abide by any other reasonable entry rules imposed by Seller.

G.3. Environmental Assessment. Buyer has the right to conduct environmental assessments of the Property. Seller will provide, or will designate a person with knowledge of the use and condition of the Property to provide, information requested by Buyer or Buyer's agent or representative regarding the use and condition of the Property during the period of Seller's ownership of the Property. Seller will cooperate with Buyer in obtaining and providing to Buyer or its agent or representative information regarding the use and condition of the Property before Seller's period of ownership to the extent that the information is within Seller's possession or control.

G.4. Buyer's Right to Terminate. Buyer may terminate this contract for any reason by notifying Seller of the termination before the end of the Inspection Period. If Buyer does not notify Seller of Buyer's termination of the contract before the end of the Inspection Period, Buyer waives the right to terminate this contract pursuant to this provision.

G.5. Buyer's Release of Seller

G.5. Release. Buyer releases Seller and those persons acting on Seller's behalf from all claims and causes of action (including claims for attorney's fees and court and other costs) resulting from Buyer's investigation of the Property.

G.6. Partial Release. If, as of the Effective Date, the Property is subject to any liens that secure indebtedness in excess of the estimated net proceeds of the Purchase Price after the satisfaction of brokers' commissions and other transaction costs for which Seller is responsible, then Seller promptly must obtain a written agreement or agreements (collectively, the "Partial Release Agreement") binding and enforceable against the holders of such liens ("Holders"). The Partial Release Agreement must release all of such liens with respect to the Property on the payment to the Holders of an amount that does not exceed the net proceeds of the Purchase Price after the satisfaction of brokers' commissions and other transaction costs for which Seller is responsible. Notwithstanding any other provision of this contract, if Seller is required to provide a Partial Release Agreement, the Inspection Period will not commence until and unless the executed Partial Release Agreement, in a form reasonably satisfactory to Buyer, is delivered to Buyer.

H. Representations

The parties' representations stated in Exhibit B are true and correct as of the Effective Date and must be true and correct on the Closing Date. Seller will promptly notify Buyer if Seller becomes aware that any of the representations are not true and correct. Unless Seller notifies Buyer to the contrary on or before the Closing Date, or Buyer has actual knowledge to the contrary as of the Closing Date, Buyer is entitled to presume that the representations of Seller in Exhibit B are true and correct as of the Closing Date.

I. Condition of the Property until Closing; Cooperation; No Recording of Contract

I.1. Maintenance and Operation. Until Closing, Seller will (a) maintain the Property as it existed on the Effective Date, except for reasonable wear and tear and casualty damage; (b) use the Property in the same manner as it was used on the Effective Date; (c) comply with all contracts of Seller pertaining to the Property in effect on the Effective Date and all laws and all governmental regulations affecting the Property; and (d) not encumber, transfer or dispose of any of the Property, except to sell inventory, replace equipment, and use supplies in the normal course of operating the Property. Until the end of the Inspection Period, Seller will not enter into, amend, or terminate any contract that affects the Property other than in the ordinary course of operating the Property and will promptly give notice to Buyer of each new, amended, or terminated contract, including a copy of the contract, in sufficient time so that Buyer may consider the new information before the end of the Inspection Period. If Seller's notice is given within three days before the end of the Inspection Period, the Inspection Period will be extended for three days. After the end of the Inspection Period, Seller may not enter into, amend, or terminate any contract that affects the Property without first obtaining Buyer's written consent, which Buyer will have no obligation to grant and, if granted, may be conditioned in any manner Buyer in its sole discretion deems appropriate.

I.2. Casualty Damage. Seller will notify Buyer promptly after discovery of any casualty damage to the Property. Seller will have no obligation to repair or replace the Property if it is damaged by casualty before Closing. Buyer may terminate this contract if the casualty damage that occurs before Closing would materially affect Buyer's intended use of the Property for school related purposes, by giving notice to Seller within fifteen days after receipt of Seller's

notice of the casualty (or before Closing if Seller's notice of the casualty is received less than fifteen days before Closing). If Buyer does not terminate this contract, Seller will (a) convey the Property to Buyer in its damaged condition, (b) assign to Buyer all of Seller's rights under any property insurance policies covering the Property, and (c) credit to Buyer the amount of the deductibles and coinsurance provisions under any insurance policies covering the Property, but not in excess of the cost to repair the casualty damage and less any amounts previously paid or incurred by Seller to repair the Property. If Seller has not insured the Property and Buyer does not elect to terminate this contract in accordance with this section, the Purchase Price will be reduced by the cost to repair the casualty damage less any amounts previously paid or incurred by Seller to repair the Property.

I.3. Condemnation. Seller will notify Buyer promptly after Seller receives notice that any part of the Property has been or is threatened to be condemned or otherwise taken by a governmental or quasi-governmental authority. Buyer may terminate this contract if the condemnation would materially affect Buyer's intended use of the Property by giving notice to Seller within fifteen days after receipt of Seller's notice to Buyer (or before Closing if Seller's notice is received less than fifteen days before Closing). The condemnation will be deemed to materially affect Buyer's intended use if the condemnation would prohibit the use of property by the Buyer. If Buyer does not terminate this contract, (a) Buyer and Seller will each have the right to appear and defend their respective interests in the Property in the condemnation proceedings, (b) any award in condemnation will be assigned to Buyer, (c) if the taking occurs before Closing, the description of the Property will be revised to delete the portion taken, and (d) no change in the Purchase Price will be made.

I.4. Claims; Hearings. Seller will notify Buyer promptly after Seller receives notice of any claim or administrative hearing that is threatened, filed, or initiated before Closing that involves or directly affects the Property.

I.5. Cooperation. Seller will cooperate with Buyer (a) before and after Closing, to transfer the applications, permits, and licenses held by Seller and used in the operation of the Property and to obtain any consents necessary for Buyer to operate the Property after Closing and (b) before Closing, with any reasonable evaluation, inspection, audit, or study of the Property prepared by, for, or at the request of Buyer.

I.6. No Recording. Buyer may not file this contract or any memorandum or notice of this contract in the real property records of any county. If, however, Buyer records this contract or a memorandum or notice, Seller may terminate this contract and record a notice of termination.

J. Termination

J.1. Disposition of Earnest Money after Termination

J.1.a. To Buyer. If Buyer terminates this contract in accordance with any of Buyer's rights to terminate, then unless Seller delivers notice of Seller's objection to Title Company's release of the Earnest Money to Buyer within five days after Buyer delivers Buyer's termination

notice to Seller and Title Company, Title Company is authorized, without any further authorization from Seller, to deliver the Earnest Money to Buyer, less \$100, which will be paid to Seller as consideration for the right granted by Seller to Buyer to terminate this contract.

J.1.b. To Seller. If Seller terminates this contract in accordance with any of Seller's rights to terminate, then unless Buyer delivers notice of Buyer's objection to Title Company's release of the Earnest Money to Seller within five days after Seller delivers Seller's termination notice to Buyer and Title Company, Title Company is authorized, without any further authorization from Buyer, to pay and deliver the Earnest Money to Seller.

J.2. Duties after Termination. If this contract is terminated, Buyer will promptly return to Seller all of Seller's records in Buyer's possession or control. After return of the documents and copies, neither party will have further duties or obligations to the other under this contract, except for those obligations that cannot be or were not performed before termination of this contract or that expressly survive termination of this contract.

K. Closing

K.1. Conditions of Closing. Neither party will be obligated to close the sale and purchase of the Property unless the other party has satisfied the following conditions, any of which may be waived by the first party in its discretion:

K.1.a. Representations and Warranties. The representations and warranties of the other party must be true and correct at Closing.

K.1.b. Performance of Covenants and Agreements. The other party must have performed all covenants and agreements required to be performed at or before Closing by that party.

K.1.c. No Bankruptcy. No voluntary or involuntary proceeding in bankruptcy shall be pending with respect to that party.

K.2. Closing. This transaction will close ("Closing") at Title Company's offices at the Closing Date and Closing Time. At Closing, the following will occur:

K.2.a. Closing Documents; Title Company Documents. The parties will execute and deliver the Closing Documents and any documents required by Title Company.

K.2.b. Payment of Purchase Price. Buyer will deliver the Purchase Price and other amounts that Buyer is obligated to pay under this contract to Title Company in funds acceptable to Title Company. The Earnest Money will be applied to the Purchase Price.

K.2.c. Disbursement of Funds; Recording; Copies. Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this contract, record the deed and the other Closing Documents directed to be recorded, and distribute documents and copies in accordance with the parties' written instructions.

K.2.d. Delivery of Originals. Seller will deliver to Buyer the originals of Seller's Records.

K.2.e. Possession. Seller will deliver possession of the Property to Buyer, subject to the Permitted Exceptions existing at Closing and any liens and security interests created at Closing to secure financing for the Purchase Price.

K.3. Transaction Costs

K.3.a. Seller's Costs. Seller will pay the basic charge for the Title Policy; one-half of the escrow fee charged by Title Company; the costs to prepare the deed; the costs to obtain, deliver, and record releases of all liens to be released at closing; the costs to record all documents to cure Title Objections agreed to be cured by Seller; Title Company's inspection fee to delete from the Title Policy the customary exception for parties in possession; the costs to obtain the UCC Search, and certificates or reports of ad valorem taxes; the costs to deliver copies of the instruments described in section A.4; Seller's expenses and attorney's fees; and any other costs associated with this transaction that are not explicitly delegated to Buyer.

K.3.b. Buyer's Costs. Buyer will pay one-half of the escrow fee charged by Title Company; the costs to obtain, deliver, and record all documents other than those to be recorded at Seller's expense; the additional premium for the "survey/area and boundary deletion" in the Title Policy, if the deletion is requested by Buyer; the costs to obtain the Survey; the costs of work required by Buyer to have the survey reflect matters other than those required under this contract; the costs to obtain financing of the Purchase Price, including the incremental premium costs of mortgagee's title policies and endorsements and deletions required by Buyer's lender; and Buyer's expenses and attorney's fees.

K.3.c. Ad Valorem Taxes. Except for subsequent assessments for prior years due to changes in use or ownership discussed below, ad valorem taxes on the Property for all periods before the period in which Closing occurs must be paid by Seller at or before Closing. Ad valorem taxes for the Property for the calendar year of Closing will be prorated between Buyer and Seller as of the Closing Date. Seller's portion of the prorated taxes will be paid to Buyer at Closing as a credit to the Purchase Price. Buyer assumes the obligation to pay, and shall pay in full, such taxes for the year of Closing before delinquency. If the assessment for the calendar year of Closing is not known at the Closing Date, the proration will be based on tax rates for the previous tax year applied to the most current assessed value, and Buyer and Seller will adjust the prorations in cash within thirty days after the actual assessment and taxes are known. Seller will promptly notify Buyer of all notices of proposed or final tax valuations and assessments that Seller receives after the Effective Date and after Closing. All taxes (including any penalties, interest, and attorney's fees) due as of Closing will be paid at Closing. If the Property has been the subject of special valuation and reduced tax assessments pursuant to the provisions of chapter 23, subchapter D, of the Texas Tax Code or under any other provision of law with respect to any period before Closing, and if additional taxes, penalties, or interest are assessed pursuant to Code section 23.55 or under the other provision of law, the following will apply:

- i. If Seller changes the use of the Property before Closing, resulting in the assessment of additional taxes for periods before Closing, Seller will pay the additional taxes.
- ii. If this sale or Buyer's use of the Property results in the assessment of additional taxes for periods before Closing, Buyer will pay the additional taxes.

K.3.d. Income and Expenses. Except as provided in paragraph K.3.c. above, income and expenses pertaining to operation of the Property will be prorated as of the Closing Date on an accrual basis and paid at Closing as a credit or debit adjustment to the Purchase Price. Invoices that are received after Closing for operating expenses incurred on or before the Closing Date and not adjusted at Closing will be prorated between the parties as of the Closing Date, and Seller will pay its share within ten days after receipt of Buyer's notice of the deficiency.

K.3.e. Postclosing Adjustments. If errors in the prorations made at Closing are identified within ninety days after Closing, Seller and Buyer will make postclosing adjustments to correct the errors within fifteen days after receipt of notice of the errors.

K.4. Issuance of Title Policy. Seller will cause Title Company to issue the Title Policy to Buyer as soon as practicable after Closing.

L. Default and Remedies

L.1. Seller's Default; Remedies before Closing. If Seller fails to perform any of its obligations under this contract or if any of Seller's representations is not true and correct as of the Effective Date or on the Closing Date ("Seller's Default"), Buyer may elect either of the following as its sole and exclusive remedy before Closing:

L.1.a. Termination. Buyer may terminate this contract by giving notice to Seller on or before the Closing Date and Closing Time and have the Earnest Money, less \$100 as described above, returned to Buyer. Unless Seller's Default relates to the untruth or incorrectness of Seller's representations for reasons not reasonably within Seller's control, if Seller's Default occurs after Buyer has incurred costs to investigate the Property after the Effective Date and Buyer terminates this contract in accordance with the previous sentence, Seller will also pay to Buyer as liquidated damages Buyer's actual out-of-pocket expenses incurred to investigate the Property after the Effective Date ("Buyer's Expenses") within ten days after Seller's receipt of an invoice from Buyer stating the amount of Buyer's Expenses accompanied by reasonable evidence of Buyer's Expenses.

L.1.b. Specific Performance. Unless Seller's Default relates to the untruth or incorrectness of Seller's representations for reasons not reasonably within Seller's control, Buyer may enforce specific performance of Seller's obligations under this contract, but any such action must be initiated, if at all, within ninety days after the breach or alleged breach of this contract. If such action is not initiated within that period and this contract has not previously been terminated, Buyer will be deemed to have elected to terminate this contract as of the expiration

of that period. If title to the Property is awarded to Buyer, the conveyance will be subject to the matters stated in the Title Commitment.

L.1.c. Actual Damages. If Seller conveys or encumbers any portion of the Property before Closing so that Buyer's ability to enforce specific performance of Seller's obligations under this contract is precluded or impaired, Buyer will be entitled to seek recovery from Seller for the actual damages sustained by Buyer by reason of Seller's Default, including attorney's fees and expenses and court costs.

L.2. Seller's Default; Remedies after Closing. If Seller's representations are not true and correct at Closing due to circumstances reasonably within Seller's control and Buyer does not become aware of the untruth or incorrectness of such representations until after Closing, Buyer will have all the rights and remedies available at law or in equity. If Seller fails to perform any of its obligations under this contract that survive Closing, Buyer will have all rights and remedies available at law or in equity unless otherwise provided by the Closing Documents.

L.3. Buyer's Default; Remedies before Closing. If Buyer fails to perform any of its obligations under this contract ("Buyer's Default"), Seller may terminate this contract by giving notice to Buyer on or before Closing and have the Earnest Money paid to Seller. If Buyer's Default occurs after Seller has incurred costs to perform its obligations under this contract and Seller terminates this contract in accordance with the previous sentence, Buyer will also reimburse Seller for Seller's actual out of pocket expenses incurred after the Effective Date to perform its obligations under this contract ("Seller's Expenses") within ten days after Buyer's receipt of an invoice from Seller stating the amount of Seller's Expenses accompanied by reasonable evidence of Seller's Expenses. The foregoing constitutes Seller's sole and exclusive remedies for a default by Buyer before Closing.

L.4. Buyer's Default; Remedies after Closing. If Buyer fails to perform any of its obligations under this contract that survive Closing, Seller will have all rights and remedies available at law or in equity unless otherwise provided by the Closing Documents.

M. Miscellaneous Provisions

M.1. Notices. Any notice required by or permitted under this contract must be in writing. Any notice required by this contract will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this contract. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received, provided that (a) any notice received on a Saturday, Sunday, or holiday will be deemed to have been received on the next day that is not a Saturday, Sunday, or holiday and (b) any notice received after 5:00 P.M. local time at the place of delivery on a day that is not a Saturday, Sunday, or holiday will be deemed to have been received on the next day that is not a Saturday, Sunday, or holiday. Any address for notice may be changed by not less than ten days'

prior written notice delivered as provided herein. Copies of each notice must be given by one of these methods to the attorney of the party to whom notice is given.

M.2. Entire Agreement. This contract, its exhibits, and any Closing Documents delivered at Closing are the entire agreement of the parties concerning the sale of the Property by Seller to Buyer. There are no representations, warranties, agreements, or promises pertaining to the Property or the sale of the Property by Seller to Buyer, and Buyer is not relying on any statements or representations of Seller or any agent of Seller, that are not in those documents.

M.3. Amendment. This contract may be amended only by an instrument in writing signed by the parties.

M.4. Prohibition of Assignment. Buyer may not assign this contract or any of Buyer's rights under it without Seller's prior written consent, which Seller has no obligation to grant and which, if granted, may be conditioned in any manner Seller deems appropriate, and any attempted assignment without Seller's consent is void. The consent by Seller to any assignment by Buyer will not release Buyer of its obligations under this contract, and Buyer and the assignee will be jointly and severally liable for the performance of those obligations after any such assignment.

M.5. Survival. The provisions of this contract that expressly survive termination or Closing and other obligations of this contract that cannot be performed before termination of this contract or before Closing survive termination of this contract or Closing, and the legal doctrine of merger does not apply to these matters. If there is any conflict between the Closing Documents and this contract, the Closing Documents will control. The representations made by the parties as of Closing survive Closing.

M.6. CHOICE OF LAW; VENUE. THIS CONTRACT IS TO BE CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO CHOICE-OF-LAW RULES OF ANY JURISDICTION. VENUE IS IN THE COUNTY FOR PERFORMANCE.

M.7. Waiver of Default. Default is not waived if the nondefaulting party fails to declare a default immediately or delays taking any action with respect to the default.

M.8. No Third-Party Beneficiaries. There are no third-party beneficiaries of this contract.

M.9. Severability. If a provision in this contract is unenforceable for any reason, to the extent the unenforceability does not destroy the basis of the bargain among the parties, the unenforceability does not affect any other provision of this contract, and this contract is to be construed as if the unenforceable provision is not a part of the contract.

M.10. Ambiguities Not to Be Construed against Party Who Drafted Contract. The rule of construction that ambiguities in a document are construed against the party who drafted it does not apply in interpreting this contract.

M.11. No Special Relationship. The parties' relationship is an ordinary commercial relationship, and the parties do not intend to create the relationship of principal and agent, partners, joint venturers, or any other special relationship.

M.12. Counterparts. If this contract is executed in multiple counterparts, all counterparts taken together constitute this contract. Copies of signatures to this contract are effective as original signatures.

M.13. Confidentiality. This contract, this transaction, and all information learned in the course of this transaction shall be kept confidential, except to the extent disclosure is required by law or court order or to enable third parties to advise or assist Buyer to investigate the Property or either party to close this transaction. Remedies for violations of this provision are limited to injunctions and no damages or rescission may be sought or recovered as a result of any such violations.

M.14. Binding Effect. This contract binds, benefits and may be enforced by the parties and their respective heirs, successors, and permitted assigns.

Seller:

William Nixon

Date: _____

Scurry-Rosser Independent School District, a Texas
political subdivision,

Joanna Horton, President

Date: _____

**YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME
PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS
TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR
AN EXPLANATION OF THIS RIGHT.**

Title Company acknowledges receipt of Earnest Money in the amount of \$ _____
and a copy of this contract executed by both Buyer and Seller.

By: _____
Name: _____
Title: _____
Date: _____

Exhibit A

Description of the Land

Lot 90, Silver Creek EST

Exhibit B

Representations; Environmental Matters

A. Seller's Representations to Buyer

Seller represents to Buyer that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

A.1. Authority. Seller individual residing in the state with the authority to convey the Property to Buyer. This Contract is, and all documents required by this Contract to be executed and delivered to Buyer at closing will be, duly authorized, executed, and delivered by Seller.

A.2. Litigation. Seller has not received written notice and has no actual knowledge of any litigation pending or threatened against Seller that might adversely affect the Property or Seller's ability to perform its obligations under this contract.

A.3. Violation of Laws. Seller has not received written notice and has no actual knowledge of violation of any law, ordinance, regulation, or requirements affecting the Property or Seller's use of the Property.

A.4. Licenses, Permits, and Approvals. Seller has not received written notice and has no actual knowledge that any license, permit, or approval necessary to use the Property in the manner in which it is currently being used has expired or will not be renewed on expiration or that any material condition will be imposed to use or renew the same.

A.5. Condemnation; Zoning; Land Use; Hazardous Materials. Seller has not received written notice and has no actual knowledge of any condemnation, zoning, or land-use proceedings affecting the Property or any written inquiries or notices by any governmental authority or third party with respect to condemnation or the presence of hazardous materials affecting the Property.

A.6. No Other Obligation to Sell the Property or Restriction against Sale. Seller has not obligated itself to sell all or any portion of the Property to any person other than Buyer. Seller's performance of this contract will not cause a breach of any other agreement or obligation to which Seller is a party or by which Seller or the Property is bound.

A.7. No Liens. On the Closing Date, the Property will be free and clear of all mechanic's and materialman's liens and other liens and encumbrances of any nature not arising by, through, or under Buyer except the Permitted Exceptions or liens to which Buyer has given its consent in writing, and no work or materials will have been furnished to the Property by Seller that might give rise to mechanic's, materialman's, or other liens against the Property other than work or materials to which Buyer has given its consent in writing.

A.8. Seller's Documents. The copies of Seller's documents provided by Seller to Buyer for Buyer's inspections will be true, correct, and complete copies of the originals, or the copies of

such documents in Seller's possession or control. The Seller's documents provided by Seller to Buyer for Buyer's inspections that were prepared by or under Seller's supervision and control will be true, correct, and complete in all material respects. Unless Seller notifies Buyer at the time of delivery of any documents provided by Seller to Buyer that were not prepared by or under Seller's supervision and control, Seller has no actual knowledge of any material respect in which such Seller's documents are not true, correct, and complete.

A.9. No Other Representation. Except as stated above or in the notices, statements, and certificates set forth in Exhibit D, Seller makes no representation with respect to the Property.

A.10. No Warranty. Except as set forth in this contract and in the Closing Documents, Seller has made no warranty in connection with this transaction.

B. "As Is, Where Is"

THIS CONTRACT IS AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT THOSE IN THIS CONTRACT AND THE CLOSING DOCUMENTS.

BUYER IS NOT RELYING ON ANY REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES OTHER THAN THOSE EXPRESSLY CONTAINED IN THIS CONTRACT AND THE CLOSING DOCUMENTS. BUYER IS NOT RELYING ON ANY INFORMATION REGARDING THE PROPERTY PROVIDED BY ANY PERSON, OTHER THAN BUYER'S OWN INSPECTION AND THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS CONTRACT AND THE CLOSING DOCUMENTS.

The provisions of this section B regarding the Property will not be included in the deed.

C. Buyer's Representations to Seller

Buyer represents to Seller that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

Authority of Scurry-Rosser Independent School District. Buyer is a Texas political subdivision duly organized, validly existing, and in good standing under the laws of the state of Texas with authority to perform its obligations under this contract. This contract is binding on Buyer. This contract is, and all documents required by this contract to be executed and delivered to Seller at Closing will be, duly authorized, executed, and delivered by Buyer.

Exhibit C

Seller's Records

To the extent that Seller has possession or control of the following items pertaining to the Property, Seller will deliver or make the items or copies of them available to Buyer by the deadline stated in paragraph A.6.:

Governmental

governmental licenses, certificates, permits, and approvals

tax statements for the current year and the last three years

notices of appraised value for the current year and the last three years

records of any tax exemption, special use, or other valuation or exemption applicable to the Property

records of regulatory proceedings or violations (for example, condemnation, environmental)

Land

soil reports

environmental reports and other information regarding the environmental condition of the Property

water rights

engineering reports

prior surveys

site plans

Facilities

as-built plans, specifications, and mechanical drawings for improvements

warranty agreements

management, employment, labor, service, equipment, supply, and maintenance agreements

insurance policies

ADA and other building inspection reports

engineering reports

environmental reports

operating and maintenance plans (for example, asbestos maintenance plans)

life-safety plans

Leases

Leases

commission and leasing agent agreements

rent roll setting forth for each Lease:

tenant's name

square footage leased

date of expiration of current and renewal terms

renewal options

basic rent and formula for any additional rents

amount of additional rent paid during the last 2 years

prepaid rent

delinquent rent

security deposit

current tenant or landlord defaults

options to purchase any portion of the Property

rights of first refusal to lease other space

rights to rent concessions, tenant improvements, or other allowances

unpaid or contingent brokerage commissions (including commission on renewals)

estoppel letters and/or subordination agreements

Licenses, Agreements, and Encumbrances

all licenses, agreements, and encumbrances (including all amendments and exhibits)
affecting title to or use of the Property that have not been recorded in the real
property records of the county or counties in which the Property is located

Exhibit D

Notices, Statements, and Certificates

The notices, statements, and certificates (arranged by their application to particular transactions) that are listed below are attached for delivery to Buyer, and Buyer acknowledges receipt of the notices, statements, and certificates by executing this contract:

A. Consumer Notices

Notice of Cancellation. Notice concerning the purchaser's three-day right of rescission under a contract to purchase real property if (1) the seller or the seller's agent solicits the sale at a place other than the seller's place of business; (2) the purchaser submits the purchase contract to the seller or the seller's agent at a place other than the seller's place of business; and (3) the consideration payable under the purchase contract exceeds \$100; unless either (1) the purchaser is represented by a licensed attorney; (2) the transaction is negotiated by a licensed real estate broker; or (3) the transaction is negotiated at a place other than the purchaser's residence by the person who owns the property, as described in chapter 601 of the Texas Business and Commerce Code.

B. Residential Transaction Notices

B.1. Seller's Disclosure of Property Condition. Seller's disclosure of the condition of residential property, described in section 5.008 of the Texas Property Code.

B.2. Notice of Membership in Property Owners Association. Notice concerning the sale of single-family residential property that is subject to membership in a property owners association, described in section 5.012 of the Texas Property Code.

B.3. Seller's Disclosure of Location of Conditions under Surface of Unimproved Real Property. Seller's disclosure of the location of pipelines under the surface of unimproved property to be used for residential purposes, described in section 5.013 of the Texas Property Code. A seller of unimproved property to be used for residential purposes shall provide the purchaser written notice disclosing the location of any transportation pipeline to the best of the seller's belief and knowledge as of the date the notice is completed and signed by the seller. If the information required to be disclosed is not known by the seller, the seller shall indicate that fact in the notice. A seller is not required to give this notice if (a) the seller is obligated under the terms of the contract to furnish a title insurance commitment to the buyer before Closing and (b) the buyer is entitled to terminate the contract if the buyer's objections to title as permitted by the contract are not cured by the seller before Closing.

B.4. Notice of Obligation to Pay Public Improvement District Assessment. Seller's disclosure that a single-family residential property is located within a public improvement district, described in section 5.014 of the Texas Property Code.

B.5. Residential Contracts for Deed. Notice regarding the sale of property used or to be used as the purchaser's residence if the contract does not provide for delivery of a deed from the seller to the purchaser within 180 days after the final execution of the contract.

B.6. Notice Regarding Insulation to Buyer of New Home. Notice concerning insulation to be installed in a new home, described in section 460.16 of title 16 of the Code of Federal Regulations.

B.7. Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards. Lead-based paint warning statement, described in section 745.100 *et seq.* of title 40 of the Code of Federal Regulations.

B.8. Asbestos Disclosure Notice. Notice concerning asbestos, described in sections 1910.1001 and 1926.1101 of title 29 of the Code of Federal Regulations.

B.9. Notice Regarding Sale Subject to a Recorded Lien. Notice to the purchaser and each lienholder required under Texas Property Code section 5.016 that property being sold will be conveyed subject to a lien.

C. All Real Property Transaction Notices

C.1. Storage Tanks Disclosure Provider. Notice concerning underground storage tanks, described in section 334.9 of title 30 of the Texas Administrative Code.

C.2. Notice to Purchaser Regarding Restrictive Covenants. Notice of deed restrictions, described in section 212.155 of the Texas Local Government Code.

C.3. Notice to Purchaser Regarding Coastal Area Property. Notice regarding real property located adjacent to tidally influenced, submerged lands of Texas, described in section 33.135 of the Texas Natural Resources Code.

C.4. Notice to Purchaser of Property Seaward of Gulf Intracoastal Waterway. Notice concerning public easements to the public beach, described in section 61.025 of the Texas Natural Resources Code.

C.5. Notice Regarding Possible Liability for Additional Taxes. Notice of additional tax liability for vacant land that has been subject to a special tax appraisal method, described in section 5.010 of the Texas Property Code.

C.6. Notice Regarding Possible Annexation. Notice concerning the sale of property located outside the limits of a municipality that may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality, described in section 5.011 of the Texas Property Code.

C.7. Notice for Unimproved Property in a Certificated Service Area of a Utility Service Provider. Notice for property in a certificated service area of a utility service provider, described in section 13.257 of the Texas Water Code.

C.8. Utility District Notice. Notice concerning the bonded indebtedness of, or rates to be charged by, a utility or other special district, described in section 49.452 of the Texas Water Code, with the form of notice to be used being dependent on whether the property (a) is located in whole or in part within the extraterritorial jurisdiction of one or more home-rule municipalities but is not located within the corporate boundaries of a municipality, (b) is located in whole or in part within the corporate boundaries of a municipality, or (c) is not located in whole or in part within the corporate boundaries of a municipality or the extraterritorial jurisdiction of one or more home-rule municipalities.

C.9. Notice to Purchaser of Property Located in Certain Annexed Water Districts. Notice required by section 54.016(h)(4)(A) of the Texas Water Code when property being sold is in a water or sanitary sewer district that entered a contract with a city with a population of 1.18 million or less under which the city is permitted to set rates in the district after annexation that are different from rates charged other residents of the city.

C.10. Notice to Purchaser that Property Is Located within the Area of the Alignment of a Transportation Project. Notice required under Texas Local Government Code section 232.0033 that all or part of the subdivision in which property being sold is located is within the area of the alignment of a transportation project as shown in the final environmental decision document that is applicable to a future transportation corridor identified in a contract between the Texas Department of Transportation and a county under Texas Transportation Code section 201.619.

C.11. Certificates of Mold Remediation. Notice pursuant to section 1958.154 of the Texas Occupations Code, titled "Certificate of Mold Remediation; Duty of Property Owner," requiring a property owner who sells property that has been issued a certificate of mold remediation pursuant to this section to deliver copies to the purchaser of each certificate of mold remediation issued for the property within the preceding five years.