

**Sale and Purchase Agreement
between
Celina Independent School District
and
Hillwood Enterprises, L.P.**

Table of Contents

| | | |
|-----|---|---|
| 1. | Property..... | 1 |
| 2. | Purchase Price..... | 1 |
| 3. | Earnest Money | 1 |
| 4. | Closing | 1 |
| 5. | Title Insurance | 1 |
| 6. | Survey | 2 |
| 7. | Feasibility Study and Inspection..... | 2 |
| 8. | Condition Precedent..... | 3 |
| 9. | Seller’s Documents | 3 |
| 10. | Buyer’s Closing Matters | 3 |
| 11. | Expense Provisions | 4 |
| 12. | Representations, Warranties and Covenants of Seller | 4 |
| 13. | Post Closing Agreement | 6 |
| 14. | Continuing Representations and Warranties..... | 6 |
| 15. | Proration of Taxes and Rollback Assessments | 6 |
| 16. | Access to the Property | 6 |
| 17. | General Conditions to Obligations of Buyer..... | 6 |
| 18. | Default..... | 7 |
| 19. | Condemnation..... | 7 |
| 20. | Contract Construction | 7 |
| 21. | Miscellaneous | 8 |

| | | |
|-----|----------------------------------|---|
| a. | Notices | 8 |
| b. | Binding Effect; Assignment..... | 8 |
| c. | Amendments and Termination..... | 8 |
| d. | Governing Law | 8 |
| e. | Section Headings | 8 |
| f. | Counterparts..... | 8 |
| g. | Effective Date | 8 |
| h. | Merger of Prior Agreements | 8 |
| i. | Time | 8 |
| j. | Commissions | 8 |
| 22. | Federal Tax Requirements | 9 |

Exhibits

- Exhibit A – Legal Description
- Exhibit B – Location of the Property
- Exhibit C – Form of Special Warranty Deed
- Exhibit D – Form of Surveyor’s Certificate

SALE AND PURCHASE AGREEMENT

THIS SALE AND PURCHASE AGREEMENT (“Agreement”) made and entered into on the Effective Date, as hereinafter defined, by and between HILLWOOD ENTERPRISES, L.P., a Texas limited partnership (hereinafter “Seller”); and CELINA INDEPENDENT SCHOOL DISTRICT (hereinafter “Buyer”). Buyer and Seller are herein collectively referred to as the “Parties” and individually as a “Party”)

WITNESSETH:

1. **Property.** Subject to the terms and conditions set forth below, Seller agrees to sell and convey to Buyer and Buyer agrees to purchase from Seller a certain tract of land described as approximately 13 acres, more or less, situated in Collin County, Texas, such tract being more particularly described on Exhibit “A,” attached hereto and incorporated herein for all purposes, and depicted in Exhibit “B”, attached hereto and incorporated herein for all purposes, together with any and all easements, right-of-way, privileges, benefits, contract rights, development rights, permits, licenses or approvals, improvements, or appurtenances arising from, pertaining to or associated with said real estate (collectively, the “Property”). Seller hereby expressly reserves all oil, gas or mineral and interests and royalty interests pertaining to the Property and currently owned by Seller, but agrees to execute, at or before Closing, a surface waiver relinquishing Seller’s right to investigate, explore, extract, mine or drill any oil, gas or minerals from the surface of the Property.

2. **Purchase Price.** The Purchase Price shall be the cash sum of One and No/100 Dollars (\$1.00) per square foot of land area. The final total price, approximated to be Five Hundred Sixty-Six Thousand Two Hundred Eighty and No/100 Dollars (\$566,280.00), will be adjusted per the final Survey (the “Purchase Price”).

3. **Earnest Money.** Within 2 business days after the execution of this Agreement, Buyer shall deliver the sum of Fifty Thousand and No/100 Dollars (\$50,000.00) Earnest Money to the Title Company (as defined herein) and placed in an interest bearing account, upon execution of the Agreement by both Parties. Such interest earned shall be additional Earnest Money, and such Earnest Money shall be applied to the Purchase Price at Closing.

4. **Closing.** Subject to the terms and conditions hereof, the Closing of this transaction (the “Closing Date”) shall be held at Republic Title of Texas, Inc., Attn: Anne Gross, 2626 Howell Street, Tenth Floor, Dallas, Texas 75204 (the “Title Company”), within (30) days following the expiration of the Feasibility Period (as defined below). Seller shall deliver possession of the Property to Buyer on the Closing Date.

5. **Title Insurance.** Within fifteen (15) days after the Effective Date hereof, Seller shall obtain a title commitment for an owner’s title insurance policy (the “Title Policy”), in the standard Texas form issued by the Title Company in the amount of the Purchase Price covering title to the Property, showing title in the Seller’s name (the “Title Commitment”), subject only to (a) title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount which may be removed by the payment of money at the time of Closing, and which the Seller shall so remove at the time by using the funds to be paid to Seller at closing, (b) ad valorem taxes for the year of closing, current taxes being subject to proration as herein provided, and (c) such other exceptions as may be acceptable to Buyer (with all of said exceptions being herein referred to as the “Permitted Exceptions”). Within fifteen (15) days after the Effective Date, Seller shall cause the Title Company to provide copies of any documents referred to as exceptions in the Title Commitment, together with the vesting deed(s). The Title Commitment shall be conclusive evidence of good title as to all matters to be insured by the policy, subject to the exceptions as therein stated. The cost of any

title search fees and said Title Commitment and the premium for the basic title insurance policy to be issued pursuant thereto shall be borne by Seller and paid by Seller on or before Closing. The costs of any exceptions, deletions, endorsements or express coverages shall be paid by Buyer.

6. **Survey.** Within thirty (30) days of the Effective Date hereof, Seller shall, at Seller's cost and expense, procure and deliver, or cause to be delivered, to Buyer and Title Company a preliminary survey of the Property (the "Survey") consisting of a survey plat and field notes of the Property. The survey will (1) identify the Property by metes and bounds; (2) show that the survey was made and staked on the ground with corners permanently marked; (3) set forth the dimensions and total area of the Property; (4) show the location of all improvements, highways, streets, roads, railroads, rivers, creeks, or other waterways, fences, easements and rights-of-way on the Property with all easements and rights-of-way referenced to their recording information; (5) show any discrepancies or conflicts in boundaries, any visible encroachments, and any portion of the Property that has been designated by the Federal Emergency Management Agency, Federal Insurance Administration, the Army Corps of Engineers, or any other governmental agency or body as being subject to special or increased flooding hazards; and, (6) contain the surveyor's certificate, addressed to Seller, Buyer and the Title Company, that the survey is true and correct, and otherwise in the form attached hereto as Exhibit "D," attached hereto and incorporated herein for all purposes. At such time as Buyer has received both the Title Commitment (with all underlying documents and the vesting deed) and the Survey, Buyer shall have thirty (30) days in which to examine the Title Commitment and the Survey and notify Seller of those items within the Title Commitment or Survey ("Encumbrances") which Buyer finds objectionable ("Title Objections"). Buyer's failure to object to Encumbrances within the time allowed shall constitute a waiver of Buyer's right to object and such Encumbrances shall be deemed Permitted Exceptions, except that satisfaction of the requirements of Schedule C of the Title Commitment shall not be deemed to have been waived. If Title Objections are made by Buyer within the time allowed, Seller, at its sole cost and expense, shall have the right, but not the obligation, to cure or remove such Title Objections, give Buyer written notice thereof, and deliver within five (5) days of the date of Buyer's notice, an amended Survey and/or Title Commitment reflecting the cure of such matters. If any of such Title Objections are not cured by Seller prior to the Closing Date, this Agreement shall terminate and the Earnest Money shall be refunded to Buyer unless Buyer elects to waive such Title Objections.

7. **Feasibility Study and Inspection.**

- (a) Within sixty (60) days after the Effective Date hereof (the "Feasibility Period"), Buyer, at its expense, may complete or cause to be completed inspections of the Property (including any improvements, if any) by inspectors of Buyer's choice. Inspections may include but are not limited to: (1) physical property inspection; (2) economic feasibility study; and, (3) any type of environmental assessment or engineering study including the performance of tests such as soil tests or air sampling. Seller shall permit Buyer and Buyer's inspectors access to the Property at reasonable times. To the extent permitted by law, Buyer hereby indemnifies and holds Seller harmless from any claim, liability, loss, damage, cost and expense for property damage directly arising out of Buyer's activities upon the Property allowed by this Section; provided, however, that Buyer shall be permitted to clear out small lanes of vegetation as may be reasonably necessary to allow Buyer's inspectors access to accurately inspect the Property, and shall not be liable for any damages associated therewith. If, during this Feasibility Period, Buyer elects, in Buyer's sole judgment, to terminate this Agreement for any reason, Buyer may do so by providing written notice of termination before the expiration of sixty (60) days after the Effective Date hereof, or ninety (90) days if Buyer exercises the thirty (30) day extension under this Section. Upon termination of this Agreement pursuant to this

Section, all Earnest Money shall be refunded to Buyer, less the sum of \$100.00 which shall be retained by Seller as additional consideration for this Agreement.

- (b) During the Feasibility Period, Seller and Buyer shall attempt to agree in writing upon architectural images and building materials (“Architectural Standards”) for improvements to the Property to be constructed after Closing. The Architectural Standards will be incorporated into the Deed as Exhibit C-1. In the event, for any reason, in the sole and absolute discretion of the parties, Seller and Buyer fail to agree in writing prior to the expiration of the Feasibility Period upon the Architectural Standards, this Agreement shall automatically terminate on the last day of the Feasibility Period, in which event of termination the Earnest Money shall be promptly returned to Buyer and neither party thereafter shall have any further rights or obligations under this Agreement unless expressly provided otherwise in this Agreement. After the parties have agreed upon the Architectural Standards, such shall be incorporated into the Agreement by amendment to the Agreement.

8. **Condition Precedent.** Buyer acknowledges that Seller has not yet acquired the Property. If Seller fails, for any or no reason, to acquire the Property from the current owner thereof on or prior to fifteen (15) days after the expiration of the Feasibility Period, Buyer or Seller may (by delivery of written notice to the other party and Title Company at any time prior to the satisfaction of such condition and as its sole and exclusive remedy) terminate this Agreement, whereupon (1) the respective rights and obligations of Seller and Buyer hereunder shall terminate (except as expressly provided in this Agreement), (2) Title Company shall return the Earnest Money to Buyer; and (3) Title Company shall promptly return to Buyer and Seller all documents and funds, if any, deposited by them respectively which are then held by Title Company. In the event Seller fails to acquire the Property from the current owner thereof on or prior to the Closing Date for any reason, and neither party has terminated the Agreement as set forth above, the Closing Date shall be extended until the date Seller does acquire the Property, but in no event shall the Closing Date extend beyond March 31, 2016.

9. **Seller’s Documents.** At Closing, Seller shall execute and deliver to Buyer, the following:

- (a) A duly executed and acknowledged Special Warranty Deed conveying good and indefeasible title in fee simple title to all of the surface of the Property and free and clear of any and all liens, encumbrances, conditions, easements, assessments, reservations and restrictions, subject only to the Permitted Exceptions, in the form attached hereto as Exhibit “C” and incorporated herein for all purposes;
- (b) A duly executed and acknowledged Post-Closing Agreement, governing the post-closing development obligation of Seller;
- (c) The Title Policy, issued by Title Company in the amount of the Purchase Price, naming Buyer as the insured, subject only to the Permitted Exceptions;
- (d) Tax statements showing no delinquent taxes on the Property;

- (e) A fully executed release of any liens retained on the Property, other than current taxes;
- (f) Evidence that the person executing this Agreement and the Deed has the full power and authority to bind Seller; and
- (g) Such other closing documents as reasonably may be required to consummate the transaction contemplated by this Agreement, including any documents that may be required by the Title Company in order to issue the Title Policy as required by the Title Commitment.

10. **Buyer's Closing Matters.** At Closing, Buyer shall execute and deliver to Seller, the following:

- (a) The Purchase Price in accordance with Section 2 above; and
- (b) Such other closing documents as reasonably may be required to consummate the transaction contemplated by this Agreement, including any documents that may be reasonably required by the Title Company.

11. **Expense Provisions.** The cost of releasing liens and recording releases shall be paid by Seller on or before Closing. Seller will be responsible for the basic title premium, and any platting or re-platting requirements, if any, and any costs thereof. Each Party shall bear and pay their own attorneys' fees and expenses. Except as expressly set forth herein, any charges, fees or expenses of the Title Company shall be shared equally between the Parties. The provisions of this Section shall survive the Closing or earlier termination of this Agreement.

12. **Representations, Warranties and Covenants of Seller.**

- (a) From and after the Effective Date hereof, Seller shall not enter into any contracts, agreements, encumbrances, liens, or other documents or instruments for or regarding the sale, transfer, disposition, assignment, conveyance, encumbrance, lien, pledge of the Property, or any part thereof or any interest therein, or which may result in any lien or encumbrance with regard to the Property, or any part thereof, or an interest therein, without the prior written consent of Buyer.
- (b) From and after the Effective Date hereof, Seller will not cause, permit, suffer, or allow any change, modification, or alteration to be made to the Property, or any part or portion thereof, or its physical condition without the prior written consent of Buyer.
- (c) Seller makes the following representations as of the Effective Date:
 - (1) That the person(s) executing this Agreement on behalf of Seller is fully authorized to do so by Seller, and any and all actions required to make this Agreement and the performance thereof legally binding obligations of Seller, have been duly and legally taken. No further consent, authorization or approval of any person or entity is required for Seller to enter into or perform this transaction.
 - (2) Seller has paid (or covenants that it will pay prior to Closing) any and all taxes through the date of Closing which could become a lien or charge against the Property, subject to the proration herein provided.

- (3) Except for the liens, encumbrances or charges against the Property specifically disclosed in this Agreement or in the Title Commitment, to Seller's actual knowledge, there are no other liens, encumbrances, unpaid bills to vendors, outstanding obligations or charges (contingent or absolute) in existence against such Seller or any business conducted thereon, or any existing undisclosed or unrecorded liens, encumbrances or charges, which could adversely affect title to the Property after the Effective Date hereof or the Closing Date, and Seller has no actual knowledge of any matters pending that could result in a lien against the Property, or in any way substantially adversely affect title to the Property.
- (4) To Seller's actual knowledge, no notice from a governmental body has been served upon Seller claiming any violation of any law, ordinance, code or regulations as to the Property, and Seller has no actual knowledge that any such violation exists with regard to the Property.
- (5) To Seller's actual knowledge and except with respect to the agricultural lease provided by Seller to Buyer during the Feasibility Period, there are no leases relating to the Property, or any portion thereof, nor are there any adverse or other parties in possession of the Property, or any portion thereof.
- (6) To Seller's actual knowledge, Seller has not received any notice, and has no actual knowledge, that the Property, or any portion thereof, is or will be subject to or affected by (i) any special assessments, whether or not presently a lien thereon, or (ii) any condemnation, eminent domain, change in grade of public streets, or similar proceeding.
- (7) To Seller's actual knowledge, there are no actions, suits or proceedings of any kind or nature whatsoever, legal or equitable, to which Seller is a party, affecting the Property, or any portion thereof, or relating to or arising out of the ownership of the Property, in any court or before or by any federal, state, county or municipal department, commission, board, bureau, or agency or other governmental instrumentality.
- (8) No commitments have been made by Seller or, to Seller's actual knowledge, by any predecessor in title, to any governmental authority, utility company, school board, church or other religious body, or any homeowners association, or to any other organization, group, or individual, relating to the Property which would impose an obligation upon Buyer, or its successors or assigns, to make any contribution or dedications of money or land, or to construct, install, or maintain any improvements of a public or private nature on or off the Property, and no governmental authority has imposed any requirement that any developer of the Property pay directly or indirectly any special fees or contributions or incur any expenses or obligations in connection with any development of the Property, or any part thereof.
- (9) To Seller's actual knowledge, no person, firm or other legal entity other than Buyer has any right or option whatsoever to acquire the Property or any portion thereof, or any interest therein.

- (10) Seller has no actual knowledge of any spills, releases, discharges or disposal of any hazardous materials that have occurred or are presently occurring or of the existence of any hazardous materials in, on, or under the Property. Seller has no actual knowledge of any violations of any applicable local, state or federal environmental laws, regulations, ordinances, or administrative or judicial orders relating to the generation, recycling, reuse, sale, storage, transport and disposal of any Hazardous Material with respect to the Property. For purposes of this Agreement, the term Hazardous Material shall mean materials in such quantity to be deemed hazardous by CERCLA.
- (11) To Seller's actual knowledge, the execution and delivery of this Agreement and the consummation of the transaction contemplated herein shall not and do not constitute a violation or breach by Seller of any provision of any agreements or other instrument to which Seller is a party or to which Seller may be subject although not a party, or result in or constitute a violation or breach of any judgment, order, writ, injunction or decree issued against Seller.

As used herein, the term "Seller's current actual knowledge" and terms of similar import shall mean the actual current (and not constructive) knowledge of Brian Carlock (who is the representative of Seller most familiar with the Property and most likely to have knowledge of the items set forth in this Section 12), without any independent inquiry or investigation by such person, and any reference to Seller's receipt of "notice" shall mean the receipt of notice by Brian Carlock; provided, however, such person shall not have any personal liability in connection with any representations or warranties of Seller. THIS SECTION 12 SHALL SURVIVE THE CLOSING.

13. **Post-Closing Agreement.** At Closing, Seller agrees to enter into an agreement with Buyer memorializing certain post-closing development obligations to be performed by Seller for the Property (the "Post-Closing Agreement"). The Terms of the Post-Closing Agreement shall be negotiated and finalized by the parties prior to the expiration of the Feasibility Period, and shall contain, but not be limited to, the following material terms:

- (a) No later than 15 months after the Closing Date (the "Seller Improvements Deadline"), Seller, (or an affiliate of Seller), at its sole cost and expense, shall extend water and sanitary sewer facilities (collectively, the "Utilities") of sufficient size and capacity to serve the elementary school building and site in its fully developed condition, and construct all necessary roadways adjacent to the Property (the "Adjacent Roadways") (collectively, the "Seller Improvements"). Buyer shall reimburse Seller for one half (½) of Seller's actual cost in constructing the Seller Improvements within thirty (30) days after completion thereof.
- (b) Any other items mutually agreed upon by and between Buyer and Seller during the Feasibility Period.

14. **Continuing Representations and Warranties.** With the exception of representations and warranties concerning the title of the Parties to the Property contained herein, which shall remain in force, all representations and warranties shall survive the Closing for a period of one (1) year, meaning that any cause of action based on a breach of any such representation must be filed within one (1) year after the Closing Date.

15. **Proration of Taxes and Rollback Assessments.** Current taxes shall be prorated through the Closing Date. If the amount of the ad valorem taxes for the year in which the sale is closed is not available on the closing date, proration of taxes shall be made on the basis of taxes assessed in the previous year. All state, county, and municipal taxes for the then current year relating to the Property shall be calculated as of the Closing Date and Seller's share shall be collected by Title Company at the Closing and remitted to the appropriate taxing jurisdictions in accordance with Section 26.11 of the Texas Property Tax Code. If Seller changes the use of the Property before closing or if a denial of special valuation on the Property claimed by Seller results in the assessment of additional taxes, rollback taxes, penalties, or interest (assessments) for the 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 such additional assessments for the periods before closing, the assessments will be the sole obligation of Seller. Obligations imposed by this Section 15 shall survive closing.

16. **Access to the Property.** Seller agrees that from the Effective Date until the Closing Date, Seller will allow Buyer, and its authorized representatives and agents, entry upon the Property for the purpose of satisfying itself with respect to the representations, warranties and covenants of Seller contained herein, and to take soil tests, borings, make surveys or layouts for the improvements, or such other tests, evaluations, or investigations as Buyer may perform per the terms hereof.

17. **General Conditions to Obligations of Buyer.** The obligations of Buyer are, at the option of Buyer, contingent upon these conditions:

- (a) The representations made by Seller herein shall be correct statements of fact as said facts exist as of the Closing Date, and at all times between the Effective Date hereof and the Closing Date.
- (b) Buyer shall submit site plan and exterior architectural plans to Seller for approval.
- (c) Buyer shall be responsible of all site grading, detention, vertical improvements and landscaping.
- (d) All terms, covenants, agreements and provisions of this Agreement to be complied with and performed by the Seller on or before the Closing Date shall have been duly complied with or performed.

If these conditions are not met, then, at Buyer's option, Buyer may terminate this Agreement prior to Closing, and receive a refund of the Earnest Money.

18. **Default.** If the sale contemplated by this Agreement is not consummated through default of the Buyer, Seller's sole and exclusive remedy shall be to terminate this Agreement and retain the Earnest Money deposited by Buyer pursuant to Section 3 above (such Earnest Money being a reasonable forecast of uncertain damages to Seller), whereupon, neither Party shall have any further rights or obligations hereunder, except as otherwise expressly set forth herein. If the sale contemplated by this Agreement is not consummated through default of the Seller, Buyer may, as its sole and exclusive remedy, elect to (i) terminate this Agreement and receive a refund of the Earnest Money, whereupon, neither Party shall have any further rights or obligations hereunder, except as otherwise expressly set forth herein; or (ii) deliver written notice ("Buyer's Election Notice") to Seller within 30 days after the default to enforce specific performance of this Agreement, provided that Buyer must thereafter file suit for specific performance within such 30 day period or Buyer shall be barred from such specific performance remedy. Buyer's failure to deliver Buyer's Election Notice or failure to file suit for specific performance within the 30 day period set forth

Buyer's Consultant:

Telephone:
Facsimile:

If to Seller:

Hillwood Enterprises, L.P.
3090 Olive Street, Suite 300
Dallas, Texas 75219
Attn: Brian Carlock
Telephone: 972-201-2932
Facsimile: 972-201-2959
Email: brian.carlock@hillwood.com

With copy to:

Hillwood Development Company, LLC
3090 Olive Street, Suite 300
Dallas, Texas 75219
Attn: Michele Ringnald
Telephone: 972-201-2833
Facsimile: 972-201-2889
Email: Michele.ringnald@hillwood.com

or such other address either Party from time to time specify in writing to the other.

(b) **Binding Effect; Assignment.** This Agreement shall inure to the benefit of and bind the parties hereto and their respective heirs, representatives, successors, and assigns. Seller shall have the right to assign this Agreement without Buyer's prior written approval to an affiliate controlled by or in common control with Seller which shall acquire the Property from the current owners.

(c) **Amendments and Termination.** Except as otherwise provided herein, this Agreement may be amended or modified by, and only by, a written instrument executed by Seller and Buyer, acting by their respective duly authorized agents or representatives. Unless otherwise expressly stated herein, the provisions of this Agreement may be waived by the Party hereto which is entitled to the benefit thereof only by evidencing such waiver in writing, executed by such Party.

(d) **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

(e) **Section Headings.** The section headings inserted in this Agreement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge or affect the scope or intent of this Agreement, nor the meaning of any provision hereof.

(f) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

(g) **Effective Date.** The “Effective Date” of this Agreement shall be the date that this Agreement, fully executed by all Parties, is deposited with the Title Company, together with the Earnest Money.

(h) **Merger of Prior Agreements.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings between the Parties hereto relating to the subject matter hereof. Buyer is not relying upon any representation or statement by Seller regarding the Property, except as set forth in this Agreement.

(i) **Time.** Time is of the essence in this Agreement. When any time period specified herein falls or ends upon a Saturday, Sunday or legal holiday, the time period shall be automatically extended to 5:00 P.M. on the next ensuing business day.

(j) **Commissions.** Each Party represents to the other that no broker has been involved in this transaction.

22. **Federal Tax Requirements.** If Seller is a “foreign person” as defined by applicable law, or if Seller fails to deliver an Affidavit that Seller is not a “foreign person,” then Buyer shall withhold from the sales proceeds at closing an amount sufficient to comply with the applicable tax law and deliver the same to the Internal Revenue Service, together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if cash in excess of specified amounts is received in the transaction.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

“BUYER”

CELINA INDEPENDENT SCHOOL DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

“SELLER”

HILLWOOD ENTERPRISES, L.P.,
a Texas limited partnership

By: AHB, LLC,
a Texas limited liability company,
its general partner

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

RECEIPT OF TITLE COMPANY

The undersigned Title Company hereby acknowledges receipt of a fully executed counterpart of this Agreement and the Earnest Money. Title Company agrees that it shall be responsible for all reporting to the Internal Revenue Service relating to the transaction contemplated by this Agreement that is required under Section 6045 of the Code.

Executed as of the _____ day of _____, 2015.

REPUBLIC TITLE OF TEXAS, INC.

By: _____

Name: _____

Title: _____

"TITLE COMPANY"

EXHIBIT “A”

Legal Description

An approximately 13 acre tract of land, more or less, out of the _____ Survey, _____, located in Collin County, Texas, as approximately depicted in Exhibit B.

[To be substituted upon completion of survey.]

EXHIBIT “B”

Location of Property [to be attached]

[To be replaced by Survey]

EXHIBIT "C"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

Date _____, 2015

Grantor: HILLWOOD ENTERPRISES, L.P.

Grantor's Mailing Address:

3090 Olive Street, Suite 300
Dallas, Texas 75219

Grantee: CELINA INDEPENDENT SCHOOL DISTRICT

Grantee's Mailing Address:

205 S. Colorado
Celina, Texas 75009
Attn: Superintendent

Consideration

Cash and other valuable consideration, receipt and sufficiency of which are hereby acknowledged.

Property:

Being a 13 acre tract of land, more or less, in Collin County, Texas, more particularly described on Exhibit "A", attached hereto and incorporated herein by reference for all purposes. *[To be adjusted upon approval of final survey]*

Reservations from and Exceptions to Conveyance and Warranty:

1. This conveyance is subject to those certain title exceptions, rights, releases, covenants and reservations set forth herein and in Exhibit "B," attached hereto and made a part hereof for all purposes (collectively, the "Title Exceptions").

2. Taxes and special assessments are prorated as of this date, and Grantee assumes and agrees to pay same.
3. Grantor reserves and excepts for itself, its successors and assigns, and its predecessors in title in accordance with their respective interests of record, all oil, gas and other minerals on, in and under the above-described Property, but Grantor, on behalf of itself, its successors and assigns, does hereby forever release and relinquish its right to enter upon and use the surface of the Property for exploring and drilling for, and producing and mining such oil, gas and minerals; provided, that Grantor shall have and hereby reserves the right to pool and combine such Property with other land for the purpose of exploring and drilling for, and producing and mining such minerals by virtue of operations conducted on such other lands, but not on the Property.

Grantor, for the consideration and subject to the Reservations from and Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it unto Grantee and Grantee's successors and assigns, and Grantor binds itself, its successors and assigns to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, except as to the Reservations from and Exceptions to Conveyance and Warranty.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURES ON FOLLOWING PAGE]

“Grantor”

HILLWOOD ENTERPRISES, L.P.
a Texas limited partnership

By: AHB, LLC,
a Texas limited liability company,
its general partner

By: DO NOT SIGN PRIOR TO CLOSING

Name: _____

Title: _____

Date: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____
day of _____, 2015, by _____,
_____ of Hillwood Enterprises, L.P.

Notary Public, State of Texas

“Grantee”

CELINA INDEPENDENT SCHOOL DISTRICT

By: DO NOT SIGN PRIOR TO CLOSING

Name: _____,

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, acting in his capacity as _____ of and on behalf of the Board of Trustees of Celina Independent School District.

After recording, return to:

Exhibits to be supplemented to Deed:

Exhibit A – Legal Description

Exhibit B – Permitted Exceptions

Exhibit C – Use Restrictions

Exhibit A
To Special Warranty Deed

Legal Description [to be inserted prior to Closing]

Exhibit B
To Special Warranty Deed

PERMITTED EXCEPTIONS

1. The lien for ad valorem taxes and assessments for the **[year of the closing in question]** and subsequent years, and subsequent assessments for prior years due to changes in land usage, ownership or both.

2. Easements, building line setbacks, restrictions and all other matters shown on the plat of the Property.

3. Any zoning ordinances affecting the Property as of the date hereof.

4. Grantor reserves a perpetual easement on and across the portion of the Property described below as the "Easement Area" for the purposes of installing, operating, upgrading and maintaining underground utility lines and equipment, as determined by Grantor (collectively, the "Facilities"). Neither Grantee nor its successors or assigns shall take any action that shall interfere with Grantor's use of the Easement Area for the purposes set forth above. This Reserved Easement is an easement in gross and is assignable in whole or in part by Grantor. Notwithstanding the foregoing, upon completion of any installation, operation or maintenance of the Facilities, Grantor will restore the surface and grade of the Property as nearly as possible to the condition of the Property at the time the installation, operation or maintenance of the Facilities began and will replace the topsoil so removed in a manner such that the topsoil will be free of all rocks and construction debris and will not be susceptible to erosion. Grantor will replace all grass or other ground cover that was disturbed during construction and, if required to permanently establish such grass or other ground cover, will water and/or irrigate the same until it is permanently established.

"Easement Area"

a. All portions of the Property within five feet of any existing or future public street, alley or other right-of-way, but specifically excluding any and all driveways and internal roadways;

EXCEPT AS SET FORTH IN THAT POST-CLOSING AGREEMENT BETWEEN GRANTOR AND GRANTEE EFFECTIVE AS OF THE DATE HEREOF, NEITHER GRANTOR NOR ITS ASSIGNEES IS OBLIGATED TO INSTALL ANY FACILITIES. SUCH DECISION SHALL BE MADE IN THE SOLE DISCRETION OF GRANTOR OR ITS ASSIGNEE, BUT SHALL BE SUBJECT TO GRANTEE CONSENT.

5. **[Add Permitted Exceptions pursuant to terms of this Agreement.]**

EXHIBIT C
to
Special Warranty Deed

Use Restrictions.

Grantor owns other tracts around the Property and desires that the Property be developed in a manner that will enhance and not detract from the desirability of such other tracts. Therefore Grantor hereby declares that the Property shall be, and the Property is hereby sold and conveyed, subject to the covenants and restrictions set forth in this Exhibit C (the "Use Restrictions") which shall run with the land and be binding on Grantee and all parties having or acquiring any right, title or interest in the Property or any part thereof, and which shall inure to the benefit of Grantor, Grantee and each owner of any portion of the Property (an "Owner").

1. **PERMITTED USES.** From the date shown on the Deed until December 31, 2045 (the "Initial Use Period"), the Property shall be used only for the construction and operation of a public elementary school campus. Upon the expiration of the Initial Use Period, the Property shall only be used for the following purposes and purposes similar thereto: (1) a school facility; or (2) a church or similar religious institution (collectively, the "Permitted Uses"); provided, however, the following uses and uses similar thereto shall not be considered Permitted Uses: police stations, fire stations, EMS stations, public works yards, fleet facilities, storage and transfer facilities, animal shelters, water and waste water facilities, and sanitation and recycling facilities. The school shall be operated under a name selected by Grantee and approved in writing by Grantor, such approval not to be unreasonably withheld, delayed or conditioned.

2. **ARCHITECTURAL STANDARDS AND BUILDING MATERIAL.** Each Owner hereby agrees that the building improvements made on the Property will be similar in style, elevation, site plan and material as shown on Exhibit C-1 attached hereto and made a part hereof. Each Owner shall submit architectural renderings of any proposed improvements to Grantor for Grantor's review and approval, which approval shall not be unreasonably withheld, delayed or conditioned.

3. **ENVIRONMENT.** No Owner shall dispose of or otherwise release or allow any of its agents, employees, contractors, occupants or invitees to release any hazardous or toxic substances, petroleum products, chemicals, industrial sewage or wastes of any kind on, in or under any part of the surface waters or ground water located on the Property or any adjacent tracts, including, or into public sanitary sewer systems serving the Property without pre-treatment as required by applicable governmental authorities.

4. **ENFORCEMENT.** After providing written notice to Grantee of any violation, and failure by Grantee to cure such violation after a reasonable period, Grantor shall have the right, but not the obligation, to enforce the covenants, conditions and restrictions set out in these Use Restrictions. Enforcement may be made by any proceedings at law or in equity against any Person violating any part of these Use Restrictions, as such may be amended,

either to restrain or enjoin violations or to recover damages. Damages shall not be deemed adequate compensation for any breach or violation of any provision of these Use Restrictions, and Grantor shall be entitled to relief by way of injunction, as well as any other remedy either at law or in equity. The rights, powers and remedies provided in these Use Restrictions shall be cumulative and not restrictive of other remedies at law or in equity, and the exercise by a Person of any particular right, power or remedy shall not be deemed an election of remedies or to preclude such Person's resort to other rights, powers or remedies available to it.

5. **NO WAIVER OR OBLIGATION TO ENFORCE.** No delay or failure on the part of Grantor to invoke any available right, power or remedy in respect to a breach of these Use Restrictions shall be held to be a waiver by that party (or estop that party from asserting) any right, power or remedy available to it upon the recurrence or continuance of said breach or the occurrence of a different breach. Neither Grantor, or its officers or directors, shall be under any obligation to take any action to enforce the terms of these Use Restrictions.

6. **VALIDITY AND SEVERABILITY.** Violation of or failure to comply with these Use Restrictions shall not affect the validity of any mortgage, bona fide lien or other similar security instrument which may then be existing on the Property. Invalidation of any one or more of the provisions of these Use Restrictions, or any portions thereof, by a judgment or court order shall not affect any of the other provisions or covenants herein contained, which shall remain in full force and effect. In the event any portion of these Use Restrictions conflicts with mandatory provisions of any ordinance or regulation promulgated by any appropriate governmental authority, then such governmental requirement shall control.

7. **NOTICES.** Any notice required to be given to Grantor or the Owner under the provisions of these Use Restrictions shall be deemed to have been properly delivered when actually delivered by hand-delivery or when deposited in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, addressed, (a) for notice to the Owner to the address of the Owner as shown on the Deed, or such other address as provided by Grantee to Grantor in writing, and (b) for notice to Grantor to 3090 Olive Street, Suite 300, Dallas, Texas 75219, or at such other address specified by Grantor by a document recorded for such purpose in the Real Property Records of Collin County, Texas.

8. **APPROVALS.** No approval by Grantor pursuant to the provisions hereof shall be effective unless in writing, except otherwise expressly provided herein.

Exhibit “C-1”

To be agreed upon during the Feasibility Period

EXHIBIT "D"

Form of Surveyor's Certificate

The undersigned hereby certifies to _____
_____ [Buyer], _____
[Seller] and _____ [Title Company], that (i) the Survey was made on the ground on the _____ day of _____, 201__, as per the field notes shown on the Survey and correctly shows all corners, angle points, boundary lines, dimensions, gross acres and net acres of the Property; (ii) the Survey correctly shows the size, type and location of all buildings, structures, other improvements, and visible items on the Property, all being within the boundaries of the Property except as shown hereon; (iii) the Survey correctly shows the location and dimensions of all alleys, streets, roads, rights-of-way, easements, building lines, set back lines and other matters of record (with instrument and recording indicated where appropriate, and in such instances, the location and dimensions of such matters are reflected according to the legal description in such recorded documents) or of which he has knowledge or has been advised whether or not of record; (iv) adequate ingress to and egress from the Property is provided by the roads as indicated hereon, and all abutting public streets providing access to the Property together with the width and name thereof, and all other significant items and proposed streets and/or roads relating to or affecting the Property have been correctly shown on the Survey; (v) except as shown on the Survey, the Property does not serve any adjoining property for drainage, utilities or ingress or egress and there are no visible easements or rights-of-way; (vi) except as shown on the Survey, there are no (a) encroachments upon the Property by any improvements on adjacent property, (b) encroachments upon adjacent property, streets or alleys by any improvements on the property, (c) party walls, or (d) conflicts or protrusions; (vii) according to the Federal Emergency Management Agency Rate Map, Community Panel No. _____, [revised _____], no portion of the Property lies within a flood plain, flood zone or flood hazard area under any applicable federal, state or local ordinance, statute or regulation, and none of the Property lies within the one hundred year flood plain or is subject to any special flood hazard, except as shown on the Survey; (viii) the metes and bounds description contained hereon is correct and the record description of the Property forms a mathematically closed figure; and (ix) the Survey (a) conforms to the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A, Condition II Survey, and (b) conforms to the current standards promulgated by the Texas Board of Professional Land Surveying.

SEAL

Registered Professional Land Surveyor

Printed Name: _____

Address: _____

City, State: _____

Zip: _____

Telephone: _____

Fax: _____

Job Number: _____