



Economic Development Corporation  
(Type A) Agenda

Monday, March 24, 2025  
4:30 PM

City Hall - 141 W. Renfro  
Burleson, TX 76028

1. **CALL TO ORDER**

2. **CITIZENS APPEARANCES**

Each person in attendance who desires to speak to the Board on an item NOT posted on the agenda, shall speak during this section. A speaker card must be filled out and turned in to the City Secretary prior to addressing the Board. Each speaker will be allowed three minutes to speak.

Each person in attendance who desires to speak on an item posted on the agenda shall speak when the item is called forward for consideration.

3. **GENERAL**

**A.** Consider and take possible action on the minutes from the January 21, 2025 Economic Development Corporation (Type A) meeting. *(Staff Contact: Monica Solko, Deputy City Secretary)*

**B.** Consider and take possible action on a resolution authorizing a land sale contract between Burleson 4A Economic Development Corporation and Paris Baguette U.S.A. for a 7-acre tract located in Highpoint Business Park on Vantage Drive near FM 917. *(Staff Contact: Alex Philips, Economic Development Director)*

**C.** Consider and take possible action on a resolution authorizing a land sale contract between Burleson 4A Economic Development Corporation and 1451, LLC for a 7-acre tract located in Highpoint Business Park on Vantage Drive near Cirrus Drive. *(Staff Contact: Alex Philips, Economic Development Director)*

**D.** Consider and take possible action on a Performance Agreement between the Burleson 4A Economic Development Corporation and KMP Plumbing, LLC., Inc. for a 20,000 square foot service center and corporate headquarters facility located on Vantage Drive in Highpoint Business Park in Burleson, Texas. *(Staff Presenter: Alex Philips, Economic Development Director)*

4. **BOARD REQUESTS FOR FUTURE AGENDA ITEMS OR REPORTS**

5. **RECESS INTO EXECUTIVE SESSION**

In accordance with Chapter 551 of the Texas Government Code, the Economic Development Corporation (Type A) Board may convene in Executive Session in the City Council Workroom in City Hall to conduct a closed meeting to discuss any item listed on this Agenda.

**Pending or contemplated litigation or to seek the advice of the City Attorney pursuant to Section 551.071, Texas Government Code**

6. **ADJOURN**

**CERTIFICATE**

I hereby certify that the above agenda was posted on this the 19th of March 2025, by 5:00 p.m., on the official bulletin board at the Burleson City Hall, 141 W. Renfro, Burleson, Texas.



Amanda Campos

City Secretary

**ACCESSIBILITY STATEMENT**

The Burleson City Hall is wheelchair accessible. The entry ramp is located in the front of the building, accessible from Warren St. Accessible parking spaces are also available in the Warren St. parking lot. Sign interpretative services for meetings must be made 48 hours in advance of the meeting. Call the A.D.A. Coordinator at 817-426-9600, or TDD 1-800-735-2989.

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**Economic Development Corporation (Type A)**

**DEPARTMENT:** City Secretary's Office  
**FROM:** Monica Solko, Deputy City Secretary  
**MEETING:** March 24, 2025

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**SUBJECT:**

Consider and take possible action on the minutes from the January 21, 2025 Economic Development Corporation (Type A) meeting. (*Staff Contact: Monica Solko, Deputy City Secretary*)

**SUMMARY:**

The Burleson 4A Economic Development Corporation Board duly and legally met on January 21, 2025 for a regular meeting.

**RECOMMENDATION:**

- 1) Board may approve the minutes as presented or approve with amendments.

**FISCAL IMPACT:**

N/A.

**STAFF CONTACT:**

Monica Solko, TRMC  
Deputy City Secretary  
[msolko@burlesontx.com](mailto:msolko@burlesontx.com)  
817-426-9682

**BURLESON 4A ECONOMIC DEVELOPMENT CORPORATION**

**January 21, 2025**

**DRAFT MINUTES**

**BOARD MEMBERS PRESENT:**

Phil Anderson, Place 2  
 Dan McClendon, President, Place 3  
 Alexa Boedeker, Place 4  
 Adam Russell, Vice-President, Place 5

**BOARD MEMBERS ABSENT:**

Larry Scott, Place 1

**Staff present:**

Tommy Ludwig, City Manager  
 Harlan Jefferson, Deputy City Manager  
 Eric Oscarson, Deputy City Manager  
 Amanda Campos, City Secretary  
 Monica Solko, Deputy City Secretary  
 Matt Ribitzki, Deputy City Attorney

**1. CALL TO ORDER – 4:30 P.M.**

President Dan McClendon called the meeting to order. **Time: 4:30 P.M.**

**2. CITIZEN APPEARANCE**

- No speakers.

**3. GENERAL**

**A. Minutes from the December 9, 2024 Economic Development Corporation (Type A) meeting. (Staff Contact: Monica Solko, Deputy City Secretary)**

Motion by Phil Anderson and seconded by Alexa Boedeker to approve.

Motion passed 4-0, with Larry Scott absent.

**B. 4A01212025ABC Supply, Performance Agreement between The Burleson 4A Economic Development Corporation and American Builder's and Contractor's Supply Company, Inc. to support industrial development in the City of Burleson, Texas. (Staff Contact: Alex Philips, Economic Development Director)**

Drew Pennywell, Economic Development Deputy Director, presented an agreement to the board.

Motion by Adam Russell and seconded by Alexa Boedeker to approve.



Motion passed 4-0, with Larry Scott absent.

- C. 4A01212025AmendFTGTulsa, Second Amendment to and Restatement of Performance Agreement (4A020623FTG-Tulsa) between the Burleson 4A Economic Development Corporation and 2525 FTG-Tulsa, LLC for a development located at 700, 708, 712, 714, 716, and 720 SW Wilshire Blvd. in Burleson. (Staff Contact: Alex Philips, Economic Development Director)**

Drew Pennywell, Economic Development Deputy Director, presented a second amendment agreement to the board.

Motion by Alexa Boedeker and seconded by Phil Anderson to approve.

Motion passed 4-0, with Larry Scott absent.

#### **4. BOARD REQUESTS FOR FUTURE AGENDA ITEMS OR REPORTS**

- None.

#### **5. RECESS INTO EXECUTIVE SESSION**

- A. Pending or contemplated litigation or to seek the advice of the City Attorney pursuant to Section 551.071, Texas Government Code.**
- B. Discussion regarding possible purchase, exchange, lease, or value of real property pursuant to Section 551.072, Texas Government Code.**
- C. Deliberation regarding commercial or financial information received from or the offer of a financial or other incentive made to a business prospect seeking to locate, stay or expand in or near the territory of the City and with which the City is conducting economic development negotiations pursuant to Section 551.087, Texas Government Code.**

No executive session needed.

#### **6. ADJOURNMENT**

There being no further discussion President Dan McClendon adjourned the meeting.

**Time: 4:40 P.M.**

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Monica Solko  
Deputy City Secretary

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**Economic Development Corporation (Type A)**

**DEPARTMENT:** Economic Development  
**FROM:** Alex Philips, Economic Development Director  
**MEETING:** March 24, 2025

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**SUBJECT:**

Consider and take possible action on a resolution authorizing a land sale contract between Burleson 4A Economic Development Corporation and Paris Baguette U.S.A. for a 7-acre tract located in Highpoint Business Park on Vantage Drive near FM 917. *(Staff Contact: Alex Philips, Economic Development Director)*

**SUMMARY:**

The Performance Agreement that was approved by the 4A board and City Council in 2024 outlined additional property that gave Paris Baguette the first right of refusal to purchase. Paris Baguette is exercising that option to purchase 7 from the Burleson 4A Economic Development Corporation for the full buildout of their new US manufacturing facility located in Highpoint Business Park for \$1,219,680

**RECOMMENDATION:**

Staff recommends approval of this land sale contract

**PRIOR ACTION/INPUT (Council, Boards, Citizens):**

N/A

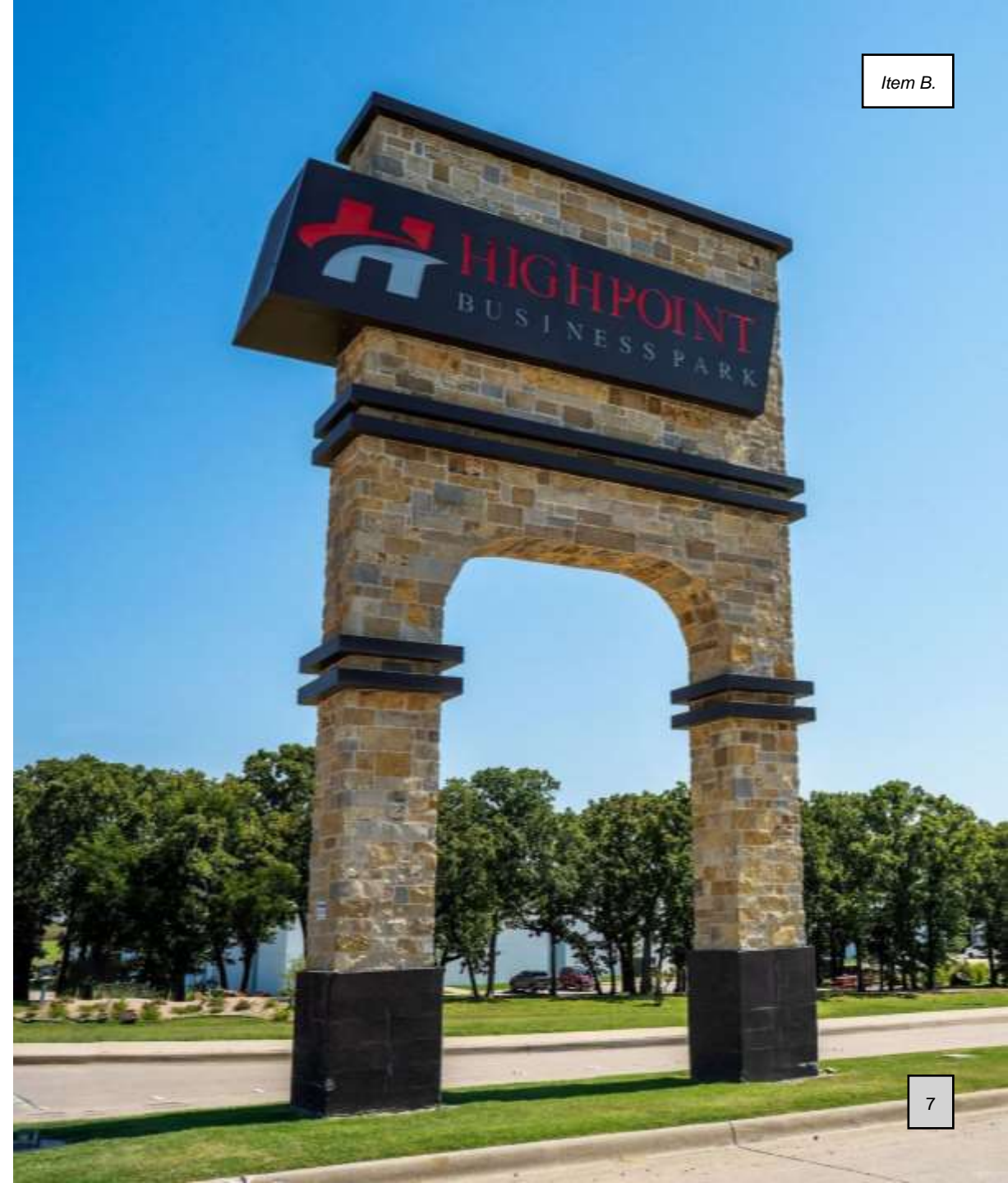
**REFERENCE:**

**FISCAL IMPACT:**

**STAFF CONTACT:**

Alex Philips  
Economic Development Director  
[aphilips@burlesontx.com](mailto:aphilips@burlesontx.com)

# Land Sale Contract



Item B.

# Land Sale Contract Details

- The 7 acre tract was the property that an additional Tax Reinvestment Zone was approved on for this development.
- Paris Baguette has exercised the first right of refusal to purchase the 7 acre tract for the full development of their manufacturing facility.
- The purchase price is \$1,219,680 which is the same per foot price that the EDC purchased it for.
- The due diligence that was completed by the EDC will be shared with Paris Baguette to expedite the sale.
- Closing on the property would happen within 30 days of the authorization of the contract.
- The EDC still will own the 3 acre parcel for any future developments.





# Requested Action

- Approve the resolution to authorize staff to sell the property
- Deny the resolution

\*Staff recommendation is to approve the resolution authorizing the purchase of the property in Highpoint Business Park



**RESOLUTION PARIS BAGUETTE CONTRACT**

**A RESOLUTION OF THE BURLESON 4A ECONMIC DEVELOPMENT CORPORATION AUTHORIZING THE BOARD PRESIDENT TO EXECUTE A CONTRACT BETWEEN THE TYPE A CORPORATION, AS SELLER, AND PARIS BAGUETTE U.S.A, INC, AS BUYERS, TO ACQUIRE FEE SIMPLE TITLE TO A 7 ACRE TRACT OF LAND SITUATED IN JOHNSON COUNTY, TEXAS, IN HIGHPOINT BUSINESS PARK, BURLESON, TEXAS (THE “PROPERTY”) FOR THE SALES PRICE OF \$1,219,680.00, AND OTHER CONSIDERATION, AS PRESCRIBED IN THE REAL ESTATE CONTRACT ATTACHED IN EXHIBIT “A” (THE “CONTRACT”); AUTHORIZING THE BOARD PRESIDENT TO EXECUTE ALL DOCUMENTS NECESSARY TO CLOSE ON THE CONTRACT; AUTHORIZING THE EXPENDITURE OF FUNDS; REQUEST FOR BURLESON CITY COUNCIL RATIFICATION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Burleson 4A Economic Development Corporation, known as the “Type A Corporation”, incorporated and certified in October 2000 under the authorization of the Development Corporation Act of 1979; and

**WHEREAS**, the City of Burleson, Texas (“City”), is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the Type A Corporation and Buyers desire to enter into the Real Estate Contract, attached hereto as Exhibit “A” and incorporated herein by reference for all purposes (the “Contract”); and

**WHEREAS**, the Type A Corporation desires that the Board President, Dan McClendon, execute the Contract on behalf of the Type A Corporation with the Buyer; and

**WHEREAS**, the Type A Corporation desires to close the real estate transaction described in the Contract; and

**WHEREAS**, the Type A Corporation desires the Board President, Dan McClendon, execute all documents necessary to close the real estate transaction described in the Contract; and

**WHEREAS**, the Type A Corporation desires to sell the Property pursuant to the Contract; and

**WHEREAS**, the Type A Corporation desires the City approve this action;

**NOW, THEREFORE, BE IT RESOLVED BY THE BURLESON 4A ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS, THAT:**

**Section 1.**

The Board President, Dan McClendon, is authorized: (a) to execute on behalf of the Type A Corporation (i) the Contract between the Type A Corporation and the Buyer, substantially in the form attached as Exhibit "A", with the purchase price of \$1,219,680.00 and other consideration, and (ii) any other documents necessary for closing the transaction contemplated by the Contract; and (b) to make expenditures in accordance with the terms of the Contract and in closing the transaction contemplated by the Contract.

**Section 2.**

The foregoing recitals are adopted and incorporated herein for all purposes.

**Section 3.**

The Type A Corporation hereby requests that the City Council of the City of Burleson ratify this resolution and actions of the Type A Corporation. Accordingly, this resolution shall take effect immediately after such ratification.

**PASSED, APPROVED, AND SO RESOLVED** by the Board of Directors of the Burleson 4A Economic Development Corporation on the \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Dan McClendon, Board President  
Burleson 4A Economic Development Corporation

ATTEST:

\_\_\_\_\_  
Amanda Campos, Secretary

Site Name: HighPoint Business Park  
 State of Texas  
 County of Johnson

## REAL ESTATE PURCHASE AGREEMENT

THIS REAL ESTATE PURCHASE AGREEMENT (this “**Agreement**”) is made as of February \_\_, 2025 (“**Agreement Date**”), between The Burlson 4A Economic Development Corporation, a Texas municipal development corporation (“**Seller**”), and Paris Baguette U.S.A., Inc., a Delaware corporation (“**Buyer**”).

### Background:

A. Seller and Burlson Highpoint Investments, LLC, entered into that certain Real Estate Contract dated August 28, 2024, under which the Seller acquired real property, including all appurtenant rights, privileges and easements related thereto located in the HighPoint Business Park in the City of Burlson (“**City**”), County of Johnson, (“**County**”), State of Texas (“**State**”), and consisting of 9.803 acres of land, more or less, as contained in that special warranty deed from Burlson Highpoint Investments, LLC, to Seller and recorded as Document No. 2025-2939 in the Official Records (as defined below), and which also includes the Property (as defined below).

B. Buyer and Seller entered into that certain Economic Development and Performance Agreement, dated December 9, 2024, (“**EDPA**”), under which, among other things, in Section 6.02, the EDPA provides for the right and option of Buyer to purchase the Property (as defined below) located in the City, consisting of approximately seven (7) acres, and situated within the HighPoint Business Park, including all appurtenant rights, privileges and easements, more particularly described on **Exhibit “A”** attached hereto, exercisable upon Buyer’s thirty (30)-days’ advance written notice to Seller.

C. Buyer notified the Seller of its intent to exercise the option to purchase the Property by delivering its written notice to exercise the option on January 14, 2025, pursuant to the terms of the EDPA.

D. Seller finalized the transaction contemplated under the aforementioned Real Estate Contract and acquired fee simple title to the Property from Burlson Highpoint Investments, LLC, and now intends to sell the Property in fee simple to Buyer.

### Agreement:

In consideration of the mutual agreements herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller agrees to sell and Buyer agrees to purchase the Property, on the following terms and conditions:

#### 1. DEFINITIONS

1.1 “**Affiliate**” shall mean any Person, from time to time, that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with another Person. The term “control” shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, and shall in any event include the ownership or power to vote fifty



percent (50%) or more of the outstanding equity or voting interests, respectively, of such other Person. A Person shall be considered as having control over the Person in question, notwithstanding that another Person shall have the right to consent to, participate in or veto (but not unilaterally determine) major decisions with respect thereto.

1.2 “**Agreement**” means this Real Estate Purchase Agreement, as it may be amended as provided herein from time to time.

1.3 “**Agreement Date**” has the meaning set forth in the first paragraph of this Agreement.

1.4 “**Anti-Money Laundering Laws**” is defined in Section 5.3.

1.5 “**Applicable Law**” shall mean all statutes, laws, common law, rules, regulations, ordinances, codes or other legal requirements of any Governmental Authority, board of fire underwriters and similar quasi-governmental agencies or entities, and any judgment, injunction, order, directive, decree or other judicial or regulatory requirement of any Governmental Authority of competent jurisdiction affecting or relating to the Person or property in question.

1.6 “**Approved Supplemental Exception**” is defined in Section 8.1(b).

1.7 “**Broker**” is defined in Section 5.16.

1.8 “**Business Day**” means any day other than (a) Saturday or Sunday or (b) any other day on which banks in Texas are permitted or required to be closed.

1.9 “**Buyer**” has the meaning set forth in the first paragraph of this Agreement.

1.10 “**Buyer Related Parties**” is defined in Section 17.7(b).

1.11 “**Certificates**” means the Federal Transferor’s Certification of Non-Foreign Status attached hereto as Exhibit “C”.

1.12 “**City**” has the meaning set forth in Paragraph A of the Background statement.

1.13 “**Close of Escrow**” and “**Closing**” each mean such time as the Deed is recorded in the Official Records.

1.14 “**Closing Date**” means the date on which the Closing occurs pursuant to this Agreement.

1.15 “**CMBS**” is defined in Section 17.20(e).

1.16 “**Confidential Information**” is defined in Section 17.20(a).

1.17 “**Contracts**” means all agreements, contracts and any other documents relating to the ownership, operation, use and/or development of the Property and/or otherwise relating to all or any part of the Property. Contracts existing as of the Agreement date are identified on Schedule 5.6 hereto.

1.18 “**County**” has the meaning set forth in Paragraph A of the Background statement.

- 1.19 “**Deed**” means a Special Warranty Deed in the form attached hereto as Exhibit “B”.
- 1.20 “**Defect Notice**” is defined in Section 8.1(a).
- 1.21 “**EDPA**” has the meaning set forth in Paragraph B of the Background statement.
- 1.22 “**Environmental Law**” means any law, statute, ordinance or regulation pertaining to Hazardous Materials, health, industrial hygiene or the environment including, without limitation, CERCLA (Comprehensive Environmental Response, Compensation and Liability Act of 1980) and RCRA (Resources Conservation and Recovery Act of 1976).
- 1.23 “**Escrow**” means the escrow account opened pursuant to Section 4.1.
- 1.24 “**Escrow Agent**” means Capital Title of Texas, 232 NW Tarrant Avenue, Burleson, Texas 76028; Attention: Dana McDonald (Email: dmcdonald@ctot.com).
- 1.25 “**FCPA**” is defined in Section 5.3.
- 1.26 “**Governmental Authority**” shall mean any federal, state or local government or other political subdivision thereof or quasi-authority, including, without limitation, any agency or entity exercising executive, legislative, judicial, regulatory or administrative governmental powers or functions, in each case to the extent the same has jurisdiction over the Person or property in question.
- 1.27 “**Hazardous Materials**” means any asbestos, petroleum, petroleum product, drycleaning solvent or chemical, biological or medical waste, “sharps,” radioactive material or waste, electronic waste, emerging contaminants such as PFAS, or any other “hazardous substance,” “toxic substance,” “hazardous waste,” or “hazardous material” as defined in or regulated by any Environmental Law in effect at the pertinent date or dates, or any other substance that poses a potential risk to health, safety, or the environment.
- 1.28 “**IRS Reporting Requirements**” is defined in Section 17.20(c).
- 1.29 “**Leases**” means those leases, licenses and other occupancy agreements, if any, which effect the Property as of the Agreement Date, as identified on Schedule 5.6 hereto.
- 1.30 “**Material Condemnation**” shall mean a taking or threatened taking of the Property (i) of more than one percent (1%) thereof based upon the square footage of the Property, (ii) that in Buyer’s reasonable judgment adversely affects Buyer’s ability to development the Project as intended, (iii) that in Buyer’s reasonable judgment adversely affects access to or parking on the Property, (iv) that permanently impairs, in Buyer’s reasonable judgment, the use and value of the Property by more than one percent (1%) of the Purchase Price, or (v) that materially impairs access to the Property from the primary point of access.
- 1.31 “**Monetary Cure Items**” is defined in Section 8.1(a).
- 1.32 “**OFAC**” is defined in Section 5.3.
- 1.33 “**Official Records**” means the public records maintained by the office of the County Clerk, Johnson County, Texas.

1.34 “**Permitted Exceptions**” means only the following interests, liens and encumbrances:

- (a) Those liens and encumbrances (if any) to which title to the Property was subject when conveyed to Seller;
- (b) Those liens and encumbrances created by Buyer and to the creation or suffering of which the buyer consented in writing (if any); and
- (c) Liens for ad valorem taxes and assessments not yet due.

1.35 “**Person**” shall mean a natural person, partnership, limited partnership, limited liability company, corporation, trust, estate, association, unincorporated association or other entity.

1.36 “**Project**” means such commercial development or redevelopment of the Property as Buyer may from time to time desire, in its sole and subjective discretion.

1.37 “**Property**” means the real property consisting of approximately seven (7) acres and situated in the HighPoint Business Park, as more particularly described in Recital A above and on Exhibit “A” attached hereto, including without limitation, all of Seller’s right, title and interest in and to any and all buildings, structures, fixtures and other improvements (if any) situated on such real property, any and all easements, rights, titles, estates, options, tenements, appurtenances and other interests thereunto belonging or appertaining to such real property or the improvements, including all leases, licenses, warranties, permits, entitlements, approvals, authorizations, certificates of occupancy and franchises issued by any federal, state, county or other Governmental Authority relating to the use, maintenance, operation or occupancy of such real property or the improvements, all personal property, if any, located at or used in connection with such real property or the improvements, and all Property Documents.

1.38 “**Property Documents**” means all studies, reports, or summaries relating to any environmental matters, and other books and records relating to the ownership or maintenance of the Property, all drawings, architectural and civil plans and specifications, operating manuals, surveys, engineering or environmental reports and other studies, investigations or depictions of the Property, and any technical, accounting, and procedural manuals.

1.39 “**Purchase Price**” is defined in Section 2.1.

1.40 “**Release**” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the outdoor environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks and other receptacles containing or previously containing any Hazardous Material.

1.41 “**Reporting Person**” is defined in Section 17.20(c).

1.42 “**Seller**” has the meaning set forth in the first paragraph of this Agreement.

1.43 “**Seller Documents**” means all documents, materials and other information in Seller’s possession or reasonable control relating to the ownership, operation, physical condition, use and/or development of the Property and/or otherwise relating to all or any part of the Property, including, without limitation, (i) any Leases and Contracts, (ii) all property tax, utility and other operating expense bills and

insurance policies relating to the ownership and operation of the Property over the three-year period preceding the Agreement Date and any assessment district information, (iii) any conditional use permits, variances and other governmental permits and/or approvals, zoning or rezoning materials, including, without limitation, copies of all applications, staff communications and related submittals, (iv) all plans, specifications, surveys, environmental reports and site assessments, title information, geotechnical tests, engineering reports, soils and boring reports, studies (including, without limitation, wetland studies, draining studies, hydrology studies and traffic studies), test results, architectural, engineering, design, construction and other development information (e.g., site plans and drawings, and related CAD files), correspondence with municipal zoning and planning departments and other Governmental Authorities, and any notices of violations of any governmental requirements, (v) utility availability letters, (vi) feasibility and market studies and appraisals, (vii) flood zone maps, (viii) engineering certifications, (ix) materials relating to any litigation, condemnation, or other proceedings; and (x) copies of written notices of any matters materially or adversely impacting all or any part of the Property, the ownership, operation or general use or development of all or any part of the Property, if any.

1.44 “***Seller Related Parties***” is defined in Section 17.7(a).

1.45 “***Specially Designated Nations and Blocked Person***” is defined in Section 5.3.

1.46 “***State***” has the meaning set forth in Paragraph A of the Background statement.

1.47 “***Supplemental Defect***” is defined in Section 8.1(b).

1.48 “***Supplemental Report***” is defined in Section 8.1(b).

1.49 “***Survey***” means a Title Survey of the Property prepared by CWC Land & Survey, LLC dated December 4, 2024, as may be updated, at the request and expense of Buyer, which survey is otherwise in a form reasonably sufficient to enable the Title Company to issue the Title Policy.

1.50 “***Survival Period***” is defined in Section 5.18.

1.51 “***Target Closing Date***” means the latter of:

- a) The date which is thirty (30) days following Seller’s receipt of Buyer’s written notice to exercise its option to purchase the Property; or
- b) Ten (10) Business Days after Seller has received approval by its board to close (estimated board approval date is March 24, 2025).

1.52 “***Taxes***” means all U.S. federal, state, or local or non-U.S. taxes, charges, fees, levies or other assessments, including income, gross income, gross receipts, production, excise, employment, sales, use, transfer, ad valorem, value added, goods and services, profits, license, capital stock, capital gains, environmental, franchise, severance, occupation, stamp, withholding, Social Security, employment, unemployment, disability, worker’s compensation, payroll, utility, windfall profit, custom duties, personal property, real property, escheat, taxes required to be collected from customers on the sale of services, registration, alternative or add-on minimum, estimated, and other taxes, customs, duties, governmental fees or like assessments or charges of any kind whatsoever, including any interest, penalties, related liabilities or additions thereto.

1.53 “**Tenant**” means any tenant or occupant of, and any other holder of a possessory right in, all or any part of the Property pursuant to a Lease.

1.54 “**Title Commitment**” means a current Title Commitment issued by the Title Company for the Property.

1.55 “**Title Company**” means Capital Title of Texas, 232 NW Tarrant Avenue, Burleson, Texas 76028; Attention: Dana McDonald (Email: dmcDonald@ctot.com).

1.56 “**Title Defect**” is defined in Section 8.1(a).

1.57 “**Title Policy**” means a Texas Owner’s Policy of Title Insurance, issued by the Title Company, in the full amount of the Purchase Price insuring in Buyer indefeasible, fee simple title to the Property, subject only to the Permitted Exceptions, together with such endorsements which are available under Texas title insurance for the Property and requested by Buyer because of the nature, configuration or other characteristics of the Property.

1.58 “**Title Review Period**” is defined in Section 8.1(a).

1.59 “**U.S. Person**” is defined in Section 5.3.

## 2. PURCHASE PRICE AND PAYMENT

2.1 Purchase Price; Payment. The total purchase price for the Property (the “**Purchase Price**”) shall be **One Million Two Hundred Nineteen Thousand Six Hundred Eighty Dollars (\$1,219,680.00)** payable in cash at the Closing.

2.2 Closing Costs.

(a) Seller shall pay:

- (1) Seller’s attorneys’ fees;
- (2) Any brokerage commission, finder’s fee or like payment due to Broker pursuant to Section 5.16; and
- (3) The cost of curing any Title Defects which Seller has agreed to cure pursuant to this Agreement, including, without limitation, the cost of recording any curative title documents.

(b) Buyer shall pay:

- (1) Buyer’s attorneys’ fees;
- (2) The cost of Buyer’s due diligence inspection of the Property;
- (3) The basic premium for the Title Policy and premium for any endorsements to the Title Policy requested by Buyer;
- (4) The cost of a new or updated Survey;

(5) All costs and fees associated with any financing obtained by Buyer; and

(6) Escrow Agent's escrow fees.

(c) All other normal costs and expenses will be allocated between Buyer and Seller in accordance with the customary practices in the County.

### 2.3 Prorations.

(a) All non-delinquent real estate Taxes, assessments and special Taxes and assessments on the Property shall be prorated as of the Close of Escrow based on the actual current Tax bills, and Seller shall be responsible for such Taxes applicable to periods prior to and including the Closing Date. If the Close of Escrow takes place before the Taxes are fixed for the tax year in which the Close of Escrow occurs, the apportionment of Taxes shall be made on the basis of the Taxes for the immediately preceding tax year, applied to the latest assessed valuation for real property taxes. If Taxes for the year of Closing are not paid at Closing, Buyer shall assume payment of Taxes for the year of Closing prior to delinquency. All delinquent Taxes, if any, on the Property shall be paid at the Close of Escrow from funds accruing to Seller. All supplemental real property Taxes billed before or after the Close of Escrow which are allocable to periods prior to the Close of Escrow shall be paid promptly by Seller. Any Tax refunds received by Buyer which are allocable to the period prior to the Close of Escrow shall be paid by Buyer to Seller.

(b) All prorations shall be made as of the date of the Close of Escrow based on a 365-day year or a 30-day month, as applicable. If any information required to complete any prorations is not available at the Close of Escrow, such prorations shall be completed outside of Escrow following the Close of Escrow when the necessary information becomes available.

(c) Section 2.3, in its entirety, shall survive the Close of Escrow.

## 3. INTENTIONALLY DELETED.

## 4. ESCROW AND CLOSING

4.1 Opening of Escrow. Within three (3) Business Days after the Agreement Date, Buyer and Seller will open an escrow (the "**Escrow**") with the Escrow Agent by delivering to Escrow Agent a fully executed copy of this Agreement. Buyer and Seller agree to execute any additional instructions reasonably required by the Escrow Agent. If there is a conflict between any escrow instructions submitted by Escrow Agent and this Agreement, the provisions of this Agreement will control.

4.2 Cancellation Fees and Expenses. In the event that the Closing does not occur at the time and in the manner provided in this Agreement due to the default of one of the parties, all escrow and title cancellation costs, if any, will be paid by the defaulting party. If the Closing does not take place for any reason other than a default by one of the parties, Buyer and Seller shall each pay one half (½) of all escrow and title cancellation costs, if any.

4.3 Virtual Closing. The Closing provided for in this Agreement will take place upon the execution and delivery of a signature page to this Agreement or any other document prepared in connection with the transactions contemplated hereby which contains a copy of a party's signature and which is sent

by such party or its agent with the apparent intention (as reasonably evidenced by the actions of such party or its agent). Execution and delivery of this Agreement or such other document, including a document sent by facsimile transmission or by email in portable document format (PDF), shall have the same effect as if such party had executed and delivered an original of this Agreement or such other document. Minor variations in the form of the signature page, including footers from earlier versions of this Agreement or any such other document, shall be disregarded in determining the party's intent or the effectiveness of such signature. The parties intend for the Closing to occur on the Closing Date.

#### 4.4 Closing Deliveries.

(a) Deposit of Documents by Seller. Not later than one (1) Business Day prior to the Target Closing Date, Seller shall deposit the following items into Escrow each of which shall be duly executed by Seller and, where appropriate, acknowledged:

- (i) The Deed;
- (ii) Each of the Certificates;
- (iii) The originals or copies of any real property tax bills for the Property for the then current fiscal year and the previous year, and, if requested, the originals or copies of any current water, sewer and other utility bills which are in Seller's possession or reasonable control;
- (iv) An owner's affidavit on a customary form, in a form acceptable to the Title Company;
- (v) Such documents of Seller which authorize the sale of the Property to Buyer and other organizational documents pertaining to Seller as all are reasonably required by the Title Company;

and

- (vi) Such other documents as Buyer and/or Escrow Agent may reasonably request to effect the transaction contemplated by this Agreement.

(b) Deposit of Documents and Funds by Buyer. On or prior to the Target Closing Date, Buyer shall deposit the following items into Escrow:

- (i) The balance of the Purchase Price as adjusted and as shown on the closing statement executed by Buyer;

and

- (ii) Such other documents as Seller and/or Escrow Agent may reasonably request to effect the transaction contemplated by this Agreement.

4.5 Disbursements and Other Actions By Escrow Agent. At the Close of Escrow, Escrow Agent will promptly undertake all of the following:

- (a) Disburse all funds deposited with Escrow Agent by Buyer as payment of the Purchase Price for the Property as follows:

- (i) deliver to Seller the Purchase Price, less the amount of all items, costs and prorations chargeable to the account of Seller;
  - (ii) disburse the remaining balance of the funds deposited by Buyer to Buyer less any amounts chargeable to Buyer pursuant to a written closing statement executed by Buyer.
- (b) Cause the Deed to be recorded in the Official Records, and obtain a conformed copy thereof for distribution to Buyer and Seller.
  - (c) As soon as practical, cause the Title Company to issue to Buyer the Title Policy.
  - (d) Deliver to Buyer each of the Certificates and any other documents (or copies thereof) deposited into Escrow by Seller.
  - (e) Deliver to Seller any other documents (or copies thereof) deposited into Escrow by Buyer.

#### 5. WARRANTIES, REPRESENTATIONS AND COVENANTS OF SELLER

To the best of Seller's actual knowledge and subject to Section 5.20, Seller warrants and represents to Buyer as follows as of the date of this Agreement and as of the Closing and where indicated covenants and agrees as follows:

5.1 Title; Organization; Validity; Conflict. Seller will be the fee owner of all of the Property on or before the Target Closing Date. Seller is duly organized, validly existing, and in good standing under the laws of the state of Texas. This Agreement has been duly and validly executed and delivered by Seller and is enforceable against Seller in accordance with its terms and all agreements, instruments and documents contemplated hereby to be executed by Seller will be as of the Closing duly authorized, executed and delivered and enforceable against Seller in accordance with their terms. Neither the execution and delivery of this Agreement by Seller nor the consummation by Seller of the transaction contemplated hereby (a) requires any further consent or approval, (b) conflicts with or constitutes a default under any of Seller's organizational documents or any other agreement, contract, instrument or document to which Seller is a party or which binds Seller, the Property or any of Seller's assets, or (c) violates any governmental requirement.

5.2 Bankruptcy. Seller (i) is not a debtor under any bankruptcy proceedings, voluntary or involuntary, (ii) has not made an assignment for the benefit of creditors, (iii) has not suffered the appointment of a receiver to take possession of all, or substantially all, of the Seller's assets, which remains pending, (iv) suffered the attachment or other judicial seizure of all, or substantially all of the Seller's assets, which remains pending, or (v) admitted in writing its inability to pay its debts as they mature.

5.3 Compliance with International Trade Control Laws and OFAC Regulations; Anti-Money Laundering. Seller, and to Seller's knowledge, any Person with a direct ownership interest in Seller, and any of Seller's Affiliates (i) is not now nor shall it be at any time prior to or at the Closing a Person named in any executive orders or lists published by the Office of Foreign Assets Control, Department of the Treasury ("**OFAC**") as Persons with whom a United States Citizen ("**U.S. Person**") may not transact business or must limit their interactions to types approved by OFAC ("**Specialty Designated Nations and Blocked Person**"), and (ii) is currently in compliance with and will at all times during the term of this



Agreement (including any extension thereof) remain in compliance with the regulations of OFAC and any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto. The operations of Seller have been conducted at all times in compliance with (i) the U.S. Money Laundering Control Act of 1986, as amended (the “*Anti-Money Laundering Laws*”); and (ii) the Foreign Corrupt Practices Act of 1977, as amended (the “*FCPA*”). No proceeding by or before any governmental authority or regulatory body involving Seller with respect to the Anti-Money Laundering Laws or the FCPA is pending or, to Seller’s knowledge, is threatened.

5.4 Foreign Person. Seller is not a “foreign person” within the meaning of Sections 1445 or 897 of the Internal Revenue Code or a “non-resident Seller” under Applicable Law, and at Closing will, execute and deliver to Buyer each of the Certificates, or if Seller fails to do so, Buyer may deduct and withhold from the Purchase Price such amounts as may be required by Buyer in order to satisfy its tax withholding obligations under Federal and State laws.

5.5 Seller’s Ownership. No natural person owns a twenty-five percent (25%) or greater interest in Seller, directly or indirectly that has not been disclosed to Buyer in writing (including such parties full name, state and country of residence).

5.6 Leases; Contracts; Seller Documents; Labor Requirements. The Property is not subject to any outstanding agreement(s) of sale, option(s), or other right(s) of third parties to acquire any interest therein, except for this Agreement. Except as described on Schedule 5.6 attached hereto, there are no Leases or other Contracts permitting persons to occupy or use any portion of the Property, either oral or written. True, correct and complete copies of each Lease, Contract, and other Seller Document have been delivered to Buyer, including, but not limited to, all amendments and modifications thereto. All Leases and Contracts are in full force and effect, Seller has no actual knowledge of any default under any of the Leases on the part of any Tenant thereunder, or under any of the Contracts on the part of any other party to any Contracts and Seller is not in default under any of the Leases or Contracts. All Leases (including any extension options thereunder) expire prior to the Target Closing Date. No part of the Property is subject to any agreement with any union, or prevailing wage or any other requirement relating to the use of union labor. There are no Contracts, oral or written, which extend beyond the Target Closing Date and which would bind Buyer or encumber all or part of the Property after the Closing other than those recorded in the Official Records before the Agreement Date. At or prior to Closing Seller shall pay all amounts then due and payable with respect to any Contracts which may be the terms of this Agreement be assigned to Buyer. Seller shall remain liable for all obligations of Seller with respect to any Leases or Contracts which are terminated at or prior to Closing.

5.7 Litigation; Condemnation. There is no litigation or proceeding pending, or to the best of Seller’s knowledge, threatened against Seller relating to the Property. Neither the whole nor any part of the Property, including any access thereto or any easement benefiting the Property, is subject to temporary requisition of use by any Governmental Authority or has been condemned, nor is there now any pending, planned or threatened condemnation, requisition or similar proceeding against the whole or any part of the Property, including any access thereto or any easement benefiting the Property.

5.8 Taxes. Seller is tax exempt. To the extent Taxes, fees, assessments or other charges could be lawfully imposed, Seller has paid all impact fees, Taxes, assessments, and other charges affecting or relating to the Property and no new assessments are known to affect the Property. All taxes and assessments that are liens against the Property are shown in the Official Records; no improvements (site or area) have

been constructed or installed by any public authority, the cost of which may be assessed in whole or in part against any part of the Property in the future. Seller has not filed any Tax certiorari or other appeals with respect to the Property which remain outstanding. Seller (i) is not a party to any action, suit, proceeding, investigation, audit or claim with respect to any Taxes, (ii) has not granted any waiver of any statute of limitation with respect to, or any extension of a period for, the assessment of any Taxes and there is no such request to extend the period of assessment or collection of Taxes (which request is still pending), and (iii) has not received any written notice of a special Tax or assessment to be levied (and does not have any knowledge that a special Tax or assessment is contemplated), in each case with respect to the Property.

5.9 Intentionally Deleted.

5.10 Governmental Notices. Seller has not entered into any commitments or agreements with any Governmental Authorities affecting the Property that have not been disclosed in writing to Buyer.

5.11 Violations. Seller has not received written notice from a Governmental Authority of any violations at the Property of building, fire, air pollution or zoning codes, rules, ordinances or regulations, environmental and hazardous substances laws, or other rules, ordinances or regulations relating to the Property that remains uncured or not rescinded and no such violations exist with respect to the Property.

5.12 Environmental Matters. Except as otherwise disclosed to Buyer, Seller has not, and has no knowledge of any other Person who has, caused any Release, threatened any Release, or disposal of any Hazardous Material at the Property and Seller has not used any Hazardous Material at the Property and has no knowledge of any other Person doing so. To the best of Seller's actual knowledge, the Property does not contain any: (a) underground storage tank, (b) material amounts of asbestos-containing material, (c) landfills or dumps, (d) hazardous waste management facility as defined under Resource Conservation and Recovery Act or any comparable state law, (e) wetlands, or (f) site on or nominated for the National Priority List promulgated pursuant to Comprehensive Environmental Response, Compensation, and Liability Act or any state remedial priority list relating to any comparable state law; and to the best of Seller's knowledge the Property has not at any time contained any of the items referenced in clauses (b), (c), (d), or (e) of this Section 5.12. Seller has no knowledge of: (i) any prior/historical site use of the Property for purposes other than agricultural or as undeveloped land; (ii) any public or private easements that include buried pipelines for conveyance of compressed gasses or hazardous materials; or (iii) any prior wetlands that have since been filed in or any current areas that meet the definition of a wetland under Applicable Law.

5.13 Intentionally Deleted.

5.14 Purchase Options. The Property is not subject to any outstanding agreement(s) of sale, option(s), or other right(s) of third parties to acquire any interest therein, except for this Agreement and the EDPA, and no party has any purchase option, right of first refusal to purchase, right of first offer to purchase or similar right to purchase in connection with all or any portion of the Property or the interests therein, whether recorded or unrecorded.

5.15 Full Disclosure; No Untrue Statement; Certification. To the best of Seller's actual knowledge, neither this Agreement, any Exhibit, any written statement nor any documents or instruments furnished or to be furnished by Seller to Buyer in connection with this transaction contain any untrue statement of material fact or omit any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

5.16 Commissions. Except for Site Selection Group (“**Broker**”), Seller has neither dealt with nor has any knowledge of any broker or other party who has or may have any claim against Seller, Buyer or the Property for a brokerage commission or finder’s fee or like payment arising out of or in connection with the transaction contemplated hereby. Seller shall be responsible for all brokerage commissions, finder’s fees and other like payments payable in connection with this Agreement and/or the transactions contemplated herein including, without limitation, any such fees and payments payable to Broker.

5.17 Seller’s Knowledge. For the purposes of this Agreement, “Seller’s knowledge”, “to the knowledge of Seller” and similar phrases means the actual knowledge of Seller and its executive officers after diligent inquiry. Seller represents and warrants that each of the individuals listed above is an individual affiliated with Seller or its Affiliates who has been materially involved in the acquisition and asset management of the Property and in negotiation of the transactions contemplated by this Agreement and is in a position to confirm the truth and accuracy of Seller’s knowledge representations hereunder.

5.18 Survival. All representations and warranties of Seller herein shall survive Closing for a period of twelve (12) months after Closing (the “**Survival Period**”).

5.19 Indemnity. To the extent allowed by Texas law and without waiving any governmental immunity of Seller and subject to Section 5.20, Seller shall indemnify, defend, protect and hold Buyer harmless from and against all claims, losses, liabilities, damages, costs and expenses (including, but not limited to, attorneys’ fees and court costs) to the extent arising from the inaccuracy or breach of any representation or warranty by Seller in this Agreement. This indemnification shall be binding upon the successors and assigns of Seller and inure to the benefit of Buyer, its members, and each of their successors and assigns; provided, however, this indemnification shall be subject to the appropriation of public funds in accordance with Texas law, and shall not be construed to obligate Seller to dedicate future tax revenues, or cause the creation of a sinking fund, or otherwise obligate Seller to create an unconstitutional debt under Texas law.

5.20 BUYER IS RELYING ON ITS OWN DUE DILIGENCE INVESTIGATION IN MAKING ITS DECISION TO PURCHASE THE PROPERTY AND HAS NOT RELIED ON ANY REPRESENTATIONS OR WARRANTIES OF SELLER OR ANYONE ACTING ON BEHALF OF SELLER, EXCEPT FOR THE WARRANTY OF TITLE WHICH WILL BE SET FORTH IN THE DEED AND THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS CONTRACT. EXCEPT AS SET FORTH IN THE DEED AND IN THIS CONTRACT, THE PROPERTY IS BEING SOLD "AS IS", “WHERE IS”, AND “WITH ALL FAULTS” AND WITH ALL LATENT AND PATENT DEFECTS, AND WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF HABITABILITY, MARKETABILITY, MERCHANTABILITY, OR FITNESS FOR BUYER’S INTENDED USE OR ANY PARTICULAR PURPOSE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER MAKES NO REPRESENTATION OR WARRANTY AS TO WHETHER THE PROPERTY IS IN VIOLATION OF ANY CITY, STATE OR FEDERAL LAWS, RULES, CODES, ORDERS, REGULATIONS OR ORDINANCES (COLLECTIVELY CALLED “APPLICABLE LAW”), INCLUDING, WITHOUT LIMITATION, ANY LAWS RELATING TO ENVIRONMENTAL MATTERS OR THE ENVIRONMENTAL CONDITION OF THE PROPERTY. THIS PROVISION SHALL SURVIVE THE CLOSING.

## 6. WARRANTIES, REPRESENTATIONS AND COVENANTS OF BUYER

Buyer hereby warrants and represents as of the date of this Agreement and as of the Closing and where indicated covenants and agrees as follows:

6.1 Organization; Authority. Buyer is duly organized, validly existing, and in good standing under the laws of the state of its formation. Buyer has, or will have prior to Closing, the full power and authority to execute, deliver and perform its obligations under this Agreement.

6.2 Authorization; Validity. This Agreement and all agreements, instruments and documents herein provided to be executed by Buyer are and as of the Closing will be duly authorized, executed and delivered by and are and will be binding upon Buyer.

6.3 Commissions. Except as set forth in Section 5.16, Buyer has neither dealt with nor does it have any knowledge of any broker or other party who has or may have any claim against Buyer for a brokerage commission or finder's fee or like payment arising out of or in connection with the transaction contemplated hereby.

6.4 Survival. All representations and warranties of Buyer herein shall survive Closing for the Survival Period.

6.5 Indemnity. Buyer shall indemnify, defend, protect and hold Seller harmless from and against all claims, losses, liabilities, damages, costs and expenses (including, but not limited to, reasonable attorneys' fees and court costs) to the extent arising from the inaccuracy or breach of any representation or warranty by Buyer in this Agreement. Such obligation shall be binding upon successors and assigns of Buyer and inure to the benefit of Seller, its members, and each of their successors and assigns.

## 7. POSSESSION; RISK OF LOSS

7.1 Possession. Possession of the Property shall be transferred from Seller to Buyer upon the Closing free and clear from any persons and entities, leases, temporary occupancy agreements, licenses, and all other third-party rights of use or occupancy of the Property or any part thereof.

7.2 Risk of Loss. All risk of loss relating to the Property shall remain upon Seller until the conclusion of the Closing. If, before the conclusion of the Closing, any (i) Material Condemnation occurs, or (ii) Release occurs, Seller shall, within two (2) Business Days of Seller becoming aware of such damage, taking or Release, as applicable, notify Buyer thereof and Buyer shall have the option to:

(a) terminate this Agreement upon notice to Seller given within ten (10) Business Days after receipt of such notice from Seller; or

(b) proceed with the purchase of the Property, in which event Seller shall assign to Buyer all of Seller's right, title and interest in and to all amounts due or collected by Seller under the condemnation awards.

## 8. TITLE MATTERS

8.1 Title.

(a) Title Insurance. In accordance with Section 6.02 of the EDPA, the Seller shall provide title to the Property, as such Property then exists, subject to (i) those liens and encumbrances (if any) to which title to the Property was subject when conveyed to Seller; (ii) those liens and encumbrances created by the Buyer and to the creation or suffering of which the Buyer consented (if any); and (iii) liens for taxes or special assessments not then delinquent. Accordingly, during the period beginning as of the Agreement Date and ending on the date which is five (5) days prior to the Closing Date (“**Title Review Period**”), Buyer shall have the right to notify Seller in writing (“**Defect Notice**”) of any matters shown in the Title Commitment and, if applicable, encroachments or other items shown on the Survey, of which Buyer disapproves (collectively, any “**Title Defect**”). Any Title Defect or other objection disclosed by the Title Commitment (other than liens removable by the payment of money) or the Survey which is not timely specified by Buyer in any written notice of Title Defects delivered to Seller prior to the expiration of the Title Review Period shall be deemed approved by Buyer. Seller shall notify Buyer in writing within five (5) days of Buyer’s delivery of notice of whether or not Seller elects to cure any Title Defect or other objection. A failure of Seller to notify Buyer within the five (5) day period set forth above shall be deemed notice to Buyer that Seller has elected not to cure any Title Defects or other objections. If Seller elects to cure any Title Defects, Seller shall use diligent efforts to cure such Title Defects that Seller has expressly elected to cure and/or objections by the Target Closing Date (as it may be extended). If Seller elects not to cure any objections or Title Defects that were created or caused by Seller after the date Seller acquired the Property from Burleson Highpoint Investments, LLC, then Buyer shall have the right, in lieu of any other remedies, to: (i) refuse to purchase the Property and terminate this Agreement by written notice to Seller; or (ii) waive such Title Defects and/or objections and close the purchase of the Property subject to them. On or prior to the Close of Escrow, Seller shall, at its sole cost and expense, cause to be removed from title to the Property any deed of trust, lien, security interest or other monetary encumbrance (collectively, “**Monetary Cure Items**”), except for any liens for non-delinquent taxes or assessments and any liens caused by Buyer, whether or not Buyer affirmatively disapproves of such items in any notice to Seller.

(b) Supplemental Title Reports. Seller agrees that from and after the Agreement Date, Seller shall not create, cause, allow or suffer to exist any additional or modified exceptions to title to the Property (a “**Supplemental Defect**”), other than for non-delinquent taxes or assessments, without the prior written consent of Buyer, not to be unreasonably withheld or delayed. To the extent Buyer has approved, in writing, any additional or modified exceptions to title to the Property (an “**Approved Supplemental Exception**”), such Approved Supplemental Exception shall be deemed an additional “Permitted Exception”. If at any time prior to Closing, the Title Company shall issue any one or more supplemental reports to the Preliminary Title Commitment (each, a “**Supplemental Report**”) disclosing any Supplemental Defect, Seller shall be obligated to remove or cause the removal of such Supplemental Defect(s) at or prior to Closing, whether or not Buyer affirmatively disapproves of such items in any notice to Seller, and any failure by Seller to do so shall be a default hereunder.

(c) Miscellaneous Title Matters. If a search of title to the Property discloses judgments, bankruptcies or other returns against other Persons having names the same as or similar to that of Seller, Seller shall deliver to Buyer an affidavit stating, if true, that such judgments, bankruptcies or the returns are not against Seller. Seller further agrees to execute and deliver to the Title Company at Closing such documentation as the Title Company shall reasonably require including, without limitation, an owner’s affidavit on the Title Company’s form, to evidence that the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized and that there are no mechanics’ liens on the Property or parties are in possession of the Property other than Seller.

(d) Survey. Buyer, at Buyer's expense, will obtain the Survey and deliver the Survey to the Seller and the Title Company within three (3) days after the Agreement Date. The Survey shall be subject to Seller's written approval, which approval shall not be unreasonably denied, refused, withheld, conditioned or delayed. The legal description of the Property shown on the Survey approved by Seller and accepted by the Title Company will be the legal description of the Property for all purposes of this Agreement.

## 9. SELLER COVENANTS

Seller hereby agrees that between the Agreement Date and the Closing or the termination of this Agreement:

(a) Seller shall not, without Buyer's prior written consent, (i) materially alter the condition of the Property or improve the Property, or (ii) take any action or cause any action to be taken that materially and adversely effects the value of the Property.

(b) Seller shall keep and maintain the Property substantially in the manner in which it is currently being maintained and shall not to cause or permit any waste of the Property nor otherwise undertake any action with respect to the operation thereof without Buyer's prior written consent, except for such normal and routine actions as Seller has taken during the period of its ownership of the Property.

(c) Seller shall not, without Buyer's prior written consent, which consent shall not be unreasonably withheld or delayed, grant, agree to, consent to or permit the creation of any easement, restriction, lien, assessment, or other encumbrance affecting all or any part of the Property.

(d) Seller shall not, without the prior written consent of Buyer, enter into, terminate (except as required hereunder), amend, supplement or modify Contracts, agreements or commitments affecting all or any part of the Property.

(e) Seller shall not default under any Contracts or agreements affecting all or any part of the Property.

(f) Seller shall perform all of its obligations relating to the Property, whether pursuant to any Lease or other Contract, agreement or requirement affecting the Property.

(g) Seller shall not, without Buyer's prior written consent, apply for, consent to, or otherwise cause any change or modification with respect to the zoning, use or development of the Property.

(h) Seller shall cooperate, in a commercially reasonable good faith manner, with Buyer's efforts to obtain all necessary approvals from Governmental Authorities for the development of the Project, including, without limitation, site plan approvals and utility access approvals, as applicable, and shall execute such applications and other documentation as may be necessary to allow for the granting of such approvals, provided that Seller shall not be required to incur any cost, expense or liability in connection with such cooperation.

(i) Seller shall promptly deliver to Buyer written notice of any asserted and/or threatened claim which directly or indirectly materially could affect Seller, Buyer or the Property after Seller becomes aware of such claim.

(j) Neither Seller nor any agent, partner, employee, director or subsidiary or Affiliate of Seller shall accept or entertain offers, negotiate, solicit interest or otherwise enter into discussions involving the sale, joint venture, recapitalization, restructuring, disposition or other transaction involving all or any part of the Property (whether directly or indirectly). Notwithstanding the foregoing, it shall not be considered a breach of this covenant in the event Seller merely receives an unsolicited offer concerning the Property, provided Seller does not respond thereto other than informing the counterparty that the Property is under contract.

#### 10. CONDITIONS PRECEDENT

10.1 Conditions Precedent to Buyer's Obligations. The obligations of Buyer under this Agreement are subject to satisfaction (or written waiver by Buyer) of each of the conditions set forth below in this Section 10.1. Seller agrees to cause, at its sole cost and expense, the conditions described in Section 10.1(d) to be satisfied by the Target Closing Date.

(a) Seller's warranties and representations under this Agreement shall be true and correct.

(b) All obligations of Seller contained in this Agreement shall have been fully performed in all material respects and Seller shall not be in default under any covenant, restriction, right-of-way or easement affecting the Property.

(c) The physical condition of the Property shall be unchanged from the Agreement Date, ordinary wear and tear excepted.

(d) All final definitive agreements in forms reasonably acceptable to Seller, including, but not limited to, subordination and non-disturbance agreements, other lender-required agreements shall have been executed by all parties subject to such agreements.

(e) The Property being free and clear from any persons and entities, leases, temporary occupancy agreements, licenses, all other third-party rights of use or occupancy of the Property or any part thereof.

(f) The Title Company shall have issued or be irrevocably and unconditionally committed to issue to Buyer the Title Policy.

(g) No Tenant or other third party shall have asserted (in writing or otherwise) any option, right of first refusal or other preferential right to purchase the Property or any part thereof.

(h) No order or injunction of any court or administrative agency of competent jurisdiction nor any statute, rule, regulation or executive order promulgated by any Governmental Authority of competent jurisdiction shall be in effect as of the Closing Date which restrains or prohibits the transfer of the Property.

(i) Except as approved by Buyer, there shall be no change in the zoning classification or the zoning ordinances or regulations affecting the Property from that existing as of the conclusion of the Agreement Date.

(j) Seller shall not be a debtor in any bankruptcy proceeding.

(k) No action or proceeding shall have been instituted or be threatened before any court or governmental authority (a) that relates to the Property and affects the Property after the Closing Date, or (b) that seeks to restrain or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of, this Agreement or the consummation of the transactions contemplated herein.

In the event that all of the above conditions set forth in this Section 10.1 are not satisfied (or waived by Buyer in writing) on or prior to the Target Closing Date, Buyer shall, for such time as any one or more of such conditions remain unsatisfied, in addition to any other rights and remedies available to Buyer under this Agreement, at law, or in equity, have the right to terminate this Agreement, exercisable by delivery of written notice to Seller prior to the Target Closing Date and Buyer shall have any rights and remedies available to Buyer under this Agreement, at law, or in equity if Seller has defaulted under this Agreement.

10.2 Conditions Precedent to Seller's Obligations. The obligations of Seller under this Agreement are subject to satisfaction (or written waiver by Seller) of each of the following conditions or requirements on or before the Target Closing Date:

(a) Buyer's warranties and representations under this Agreement shall be true and correct in all material respects.

(b) Buyer shall have deposited the balance of the Purchase Price into Escrow and any other documents required to be deposited into Escrow pursuant to Section 4.4(b).

In the event that on the Target Closing Date all conditions precedent to Buyer's obligation to purchase shall have been satisfied but the conditions to Seller's obligation to sell the Property set forth above in this Section 10.2 have not been satisfied (or waived by Seller in writing), and Seller elects in writing to terminate this Agreement, neither party shall have any further claim against the other by reason of this Agreement, except with respect to any obligations which expressly survive the termination of this Agreement.

## 11. BREACH; REMEDIES

11.1 Breach by Seller. In the event of a breach of Seller's covenants, representations or warranties herein prior to Closing, Buyer may, at its election (i) terminate this Agreement, receive a reimbursement of its out-of-pocket expenses and costs incurred in connection with the transaction contemplated by this Agreement, not to exceed \$50,000.00, (ii) enforce this Agreement by suit for specific performance, (iii) waive such breach and close the purchase contemplated hereby, notwithstanding such breach, and/or (iv) pursue any other rights and remedies available to Buyer.

11.2 Breach by Buyer. BUYER AND SELLER ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES SUFFERED BY SELLER AS A RESULT OF BUYER'S FAILURE TO COMPLETE THE PURCHASE OF THE PROPERTY PURSUANT TO THIS AGREEMENT IN THE EVENT THAT THE CLOSING AND THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED HEREBY DOES NOT OCCUR AS HEREIN PROVIDED BY REASON OF ANY MATERIAL DEFAULT OF BUYER AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH SELLER WILL INCUR AS A RESULT OF SUCH FAILURE.



THEREFORE, BUYER AND SELLER DO HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT SELLER WOULD SUFFER IN THE EVENT THAT BUYER MATERIALLY DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IS AN AMOUNT OF \$100. ACCORDINGLY, SUCH AMOUNT SHALL BE THE SOLE AND EXCLUSIVE REMEDY OF SELLER FOR SUCH A MATERIAL DEFAULT AND FAILURE BY BUYER AND THE FULL, AGREED AND LIQUIDATED DAMAGES WHICH SELLER SHALL BE ENTITLED TO. TO THE EXTENT SELLER IS PERMITTED TO DO SO UNDER APPLICABLE LAW, SELLER HEREBY WAIVES THE PROVISIONS OF ANY STATUTE, CODE, OR OTHER LAW, REGULATION, OR ORDINANCE LIMITING OR PROHIBITING THE FOREGOING LIQUIDATED DAMAGES ARRANGEMENT. UPON SUCH A MATERIAL DEFAULT AND FAILURE BY BUYER, THIS AGREEMENT WILL BE TERMINATED, AND NEITHER PARTY WILL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER TO EACH OTHER EXCEPT FOR THE RIGHT OF SELLER TO RETAIN THE PORTION OF LIQUIDATED DAMAGES IN ITS POSSESSION AND COLLECT THE PORTION OF LIQUIDATED DAMAGES IN ESCROW. NOTWITHSTANDING THE FOREGOING, SELLER'S REMEDIES SHALL NOT BE LIMITED WITH RESPECT TO OBLIGATIONS OF BUYER THAT SURVIVE THE TERMINATION OF THIS AGREEMENT OR SURVIVE CLOSING.

11.3 Notice Requirement. Except for the failure to close in accordance with the terms of this Agreement, which failure shall constitute an immediate breach hereunder, no breach shall occur until notice thereof is given to the defaulting party by the other party hereto asserting a breach has occurred, describing the nature of the breach, and giving a period of five (5) days to cure the breach, if readily curable by the payment of money, or a period of ten (10) days to cure the breach, if not readily curable by the payment of money.

#### 12. INTENTIONALLY DELETED

#### 13. INTENTIONALLY DELETED

#### 14. CONTRACTS

All Contracts (other than any Contracts, exclusive of mortgages and loans, recorded in the Official Records before the Agreement Date) shall be terminated by Seller either prior to or as of the Closing.

#### 15. ESCROW AGENT

15.1 Duties. The parties acknowledge that the Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that the Escrow Agent shall not be deemed to be the agent of either of the parties, and the Escrow Agent shall not be liable to either of the parties for any act or omission on its part, other than for its gross negligence or willful misconduct.

15.2 Withdrawal. No party shall have the right to withdraw any documents deposited by it with Escrow Agent prior to the Closing or termination of this Agreement except in accordance with the terms of this Agreement.

15.3 Acknowledgement. The Escrow Agent has acknowledged its agreement to these provisions by signing this Agreement in the place indicated following the signatures of Seller and Buyer.

16. INTENTIONALLY DELETED17. MISCELLANEOUS

17.1 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and may not be modified, amended or otherwise changed in any manner except by a writing executed by Buyer and Seller.

17.2 Notices. All notices, consents, approvals and requests required or permitted hereunder shall be given in writing and shall be effective for all purposes if (a) hand delivered, (b) sent by expedited prepaid delivery service, either commercial or United States Postal Service, with proof of attempted delivery, or (c) sent by electronic mail, addressed as follows (or at such other address and person as shall be designated from time to time by any party hereto, as the case may be, in a written notice to the other parties hereto in the manner provided for in this Section 17.2):

As to Seller: **The Burleson 4A Economic Development Corporation**  
141 W. Renfro Street  
Burleson, Texas 76028  
Attention: City Manager  
Email: dpennywell@burlesontx.com

With a copy to: **Taylor, Olson Adkins, Sralla & Elam, L.L.P.**  
6000 Western Place, Suite 200  
Fort Worth, Texas 76017  
Email: droggia@toase.com

As to Buyer: **Paris Baguette U.S.A., Inc.**  
137 W. Commercial Ave.  
Moonachie, New Jersey 07074  
Attention: Kyle Chung, General Counsel  
Email: kchung@parisbaguette.com

With a copy to: **Nelson Mullins Riley & Scarborough LLP**  
1111 Bagby Street, Suite 2100  
Houston, Texas 77002  
Attention: Patrick LaRue  
Email: patrick.larue@nelsonmullins.com  
and  
101 Constitution Avenue, NW, Suite 900  
Washington, D.C. 20001  
Attention: Woojin Shin  
Email: woojin.shin@nelsonmullins.com

A notice shall be deemed to have been given: (i) in the case of hand delivery, when delivered; (ii) in the case of registered or certified mail, when delivered or upon the first attempted delivery on a Business Day; (iii) in the case of expedited prepaid delivery service, when delivered or upon the first attempted delivery on a Business Day; and (iv) in the case of email, a notice shall be deemed given when delivered so long as the word "Notice" is present in the subject line of the e-mail and the sender does not receive a delivery

failure notice or other automated notice indicating that the e-mail has not been delivered. Refusal to accept delivery, inability to deliver due to change of address or inability to accept delivery shall be deemed receipt. Notwithstanding anything contained herein to the contrary, any notice of termination, notice of default, or Defect Notice may be delivered by legal counsel for Seller or Buyer to the other parties hereto and such delivery shall be deemed effective as if given by Seller or Buyer, as applicable.

17.3 Headings. The titles and headings of the various sections hereof are intended solely for means of reference and are not intended for any purpose whatsoever to modify, explain or place any construction on any of the provisions of this Agreement.

17.4 Construction; Severability. In the case of any uncertainty or ambiguity regarding any part of this Agreement, the language shall be construed in accordance with its fair meaning rather than being interpreted against the party who caused the uncertainty to exist. No third parties, including any brokers or creditors, shall be beneficiaries hereof. Wherever the terms “herein,” “hereof,” “hereunder,” and other like words are used, the same shall be deemed to mean this Agreement as a whole, and not merely the particular section or provision in which the respective word appears, unless stated otherwise. The unenforceability, invalidity or illegality of any provision hereof shall not render any of the other provisions herein unenforceable, invalid or illegal.

17.5 Waiver. Except as expressly set forth to the contrary herein, none of the provisions of this Agreement or rights provided herein shall be deemed waived unless waived in writing by the party benefited thereby.

17.6 Attorneys’ Fees. If either party hereto brings an action against the other by reason of the breach of any covenant, provision or condition hereof, or otherwise arising out of or in connection with this Agreement, the unsuccessful party shall pay to the prevailing party all of the prevailing party’s costs and expenses, including, without limitation, reasonable attorneys’ fees and court costs, in addition to any other relief to which it may be entitled. A plaintiff is a prevailing party if it succeeds on the merits of its claim(s). A defendant is a prevailing party if the defendant defeats the claim(s) brought by the plaintiff or if the defendant succeeds on any claims for affirmative relief against the plaintiff. It is not necessary for a defendant to bring affirmative claims against plaintiff to be a prevailing party for purposes of this provision.

17.7 Exculpation.

(a) Notwithstanding anything to the contrary contained herein, Seller’s Affiliates, shareholders, partners, members, the partners or members of such partners or members, the shareholders of such partners or members, and the trustees, officers, directors, employees, agents and security holders of Seller and the partners or members of Seller (collectively, “***Seller Related Parties***”) assume no personal liability for any obligations entered into on behalf of Seller and its individual assets shall not be subject to any claims of any Person relating to such obligations. The foregoing shall govern any direct and indirect obligations of Seller under this Agreement. The provisions of this Section 17.7(a) shall survive the Closing or any termination of this Agreement indefinitely.

(b) Notwithstanding anything to the contrary contained herein, Buyer’s Affiliates, shareholders, partners, members, the partners or members of such partners or members, the shareholders of such partners or members, and the trustees, officers, directors, employees, agents and security holders of Buyer and the partners or members of Buyer (collectively, “***Buyer Related Parties***”) assume no personal liability for any obligations entered into on behalf of Buyer and their individual assets shall not be subject

to any claims of any Person relating to such obligations. The foregoing shall govern any direct and indirect obligations of Buyer under this Agreement. The provisions of this Section 17.7(b) shall survive the Closing or any termination of this Agreement indefinitely.

17.8 Damages. In no event shall Buyer, any Buyer Related Parties or any Affiliate of Buyer or any Buyer Related Parties be entitled to seek or obtain speculative, special, punitive or exemplary damages against Seller. In no event shall Seller, any Seller Related Parties or any Affiliate of Seller or any Seller Related Parties be entitled to seek or obtain speculative, special, punitive or exemplary damages against Buyer.

17.9 Time of Essence. Time is of the essence of this Agreement.

17.10 Date of Performance. If the date on which any performance required hereunder is on a day that is not a Business Day, then such performance shall be required on the next Business Day thereafter.

17.11 Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

17.12 Joint and Several Obligations. The obligations and liabilities of Buyer hereunder shall be joint and several, and any act or notice of or to or refund to, or the signature of, any one or more of the Persons comprising Buyer shall be fully binding upon each Person comprising Seller. Seller is a tax exempt governmental non-profit organization operating pursuant to its governmental functions in accordance with Texas law. Without waiving any governmental immunity or any defenses available to Seller, the obligations and liabilities of Seller shall only be joint and several as authorized by law.

17.13 Survival. All obligations of Seller and Buyer intended to be performed after the Closing or earlier termination of this Agreement shall survive the Closing or earlier termination of this Agreement. Except as expressly set forth herein to the contrary, all of the representations and warranties of Seller and Buyer set forth herein shall survive the Closing and/or earlier termination of this Agreement for the Survival Period. All indemnification obligations set forth herein shall survive the Closing and/or earlier termination of this Agreement.

17.14 Further Instruments. Seller and Buyer shall perform all acts and make, execute and deliver such written instruments as shall be reasonably necessary to carry out the terms and provisions of this Agreement.

17.15 No Recording. Neither this Agreement nor any notice, memorandum or other notice or document relating hereto shall be recorded.

17.16 Governing Law. This Agreement shall be governed without regard for choice of law rules or conflicts of laws principles by the laws of the State of Texas, which is where the Property is located and the venue for any dispute shall be exclusively in the applicable State court located in Johnson County, Texas. Each party waives its right to jurisdiction or venue in any other location.

17.17 1031 Tax Deferred Exchange. Seller and Buyer shall reasonably cooperate with each other should either party elect to use the Property in a 1031 tax deferred exchange. The non-initiating party shall not be required to take title to any property other than the Property, incur any additional cost or liability in

so cooperating with the other party. In no event shall any such tax deferred exchange (i) be a condition of Closing, or (ii) otherwise delay the Closing.

17.18 Exhibits; Schedules. All Exhibits and Schedules attached hereto are incorporated herein by reference to the same extent as though such exhibits were included in the body of this Agreement verbatim.

17.19 Counterparts. This Agreement may be executed in several counterparts, each of which may be deemed an original, and all of such counterparts together shall constitute one and the same Agreement. Digital copies such as by facsimile, other electronic means, portable document format or otherwise shall be deemed to be an original of the Agreement, and the execution in such format shall be valid.

17.20 Confidentiality; Press Release; IRS Reporting Requirements.

(a) Buyer and Seller, and each of their respective Affiliates, shall hold as confidential all information disclosed in connection with the transaction contemplated hereby and concerning each other, the Property, this Agreement and the transactions contemplated hereby (collectively, “**Confidential Information**”) and shall not release any such information to third parties without the prior written consent of the other parties hereto, except (i) any information which was previously or is hereafter publicly disclosed (other than in violation of this Agreement or other confidentiality agreements to which Affiliates of Buyer are parties), (ii) to their partners, advisers, underwriters, analysts, employees, Affiliates, officers, directors, consultants, lenders, accountants, legal counsel, title companies or other advisors of any of the foregoing, provided that they are advised as to the confidential nature of such information and are instructed to maintain such confidentiality or (iii) to comply with any law, rule or regulation. The foregoing shall supersede any prior confidentiality agreement that may have been entered into by the parties. The provisions of this Section 17.20 relating to the Agreement and the transactions contemplated hereby shall survive the Closing or the termination of this Agreement for a period of one (1) year; provided that Seller’s confidentiality obligation with respect to the Property shall survive the Closing indefinitely.

(b) Notwithstanding Subsection 17.20(a) above or any other provision to the contrary in this Agreement, all information, documents, and communications relating to this Agreement may be subject to the Texas Public Information Act and any opinion of the Texas Attorney General or a court of competent jurisdiction relating to the Texas Public Information Act. In the event a request for information is made to the Seller relating to any information confidential by law under the Texas Public Information Act, Seller shall notify Buyer within three (3) days of the request, and if Buyer desires to keep the information confidential, Buyer shall notify the Texas Attorney General no later than seven (7) days thereafter to seek redaction or non-disclosure under the Texas Public Information Act. Seller shall not be responsible for Buyer’s failure to request an opinion from the Texas Attorney general within the statutory deadline required by the Texas Public Information Act.

(c) Neither Seller nor Buyer may issue a press release with respect to this Agreement and the transactions contemplated hereby without the prior written consent of the other party and provided that the content of any such press release shall be subject to the prior written consent of the other party hereto and in no event shall any such press release issued by Buyer or Seller disclose the identity of the other party’s direct or indirect beneficial owners by name or the consideration paid to Seller for the Property (including that no unilateral disclosure will refer to “Paris Baguette,” “Paris Croissant” or “SPC Group” without the consent of Buyer). Notwithstanding the foregoing, nothing herein shall limit the right of the

indirect investor in Buyer to publicly disclose the transaction, after the Closing hereunder, substantially consistent with the manner such indirect investor has disclosed transactions prior to the date hereof.

(d) For the purpose of complying with any information reporting requirements or other rules and regulations of the IRS that are or may become applicable as a result of or in connection with the transaction contemplated by this Agreement, including, but not limited to, any requirements set forth in Treasury Regulation Section 1.6045-4 and any successor version thereof (collectively, the “**IRS Reporting Requirements**”), Seller and Buyer hereby designate and appoint the Escrow Agent to act as the “**Reporting Person**” (as that term is defined in the IRS Reporting Requirements) to be responsible for complying with any IRS Reporting Requirements. The Escrow Agent hereby acknowledges and accepts such designation and appointment and agrees to fully comply with any IRS Reporting Requirements that are or may become applicable as a result of or in connection with the transaction contemplated by this Agreement. Without limiting the responsibility and obligations of the Escrow Agent as the Reporting Person, Seller and Buyer hereby agree to comply with any provisions of the IRS Reporting Requirements that are not identified therein as the responsibility of the Reporting Person.

(e) For the avoidance of doubt, in no event shall Seller disclose the identity of any investor in Buyer, either before or after Closing without the prior written consent of Buyer.

(f) Seller hereby acknowledges that none of the provisions of this Agreement shall in any way limit: (i) the trading of any commercial mortgage backed securities or other similar instruments (“**CMBS**”) by Buyer or any Buyer Related Parties in the ordinary course of their business (including, without limitation, any CMBS which includes any loan or other debt instrument issued or held by Seller or any of its affiliates or subsidiaries or any debt instrument collateralized by any or all of the Property), (ii) the purchase, sale or origination by Buyer or any Buyer Related Parties of (A) any security or debt instrument issued or held by Seller or any of its affiliates or subsidiaries, (B) any debt instrument held by a third party which is collateralized by any or all of the Property, or (C) any third party’s interest in any or all of the Property, (iii) the trading of any debt instrument or equity investment that is currently owned by any Buyer Related Parties or (iv) the trading of any debt instrument or equity investment for which any Buyer Related Party was/is the issuer; provided, that the Buyer Related Party will comply with all applicable securities laws in conducting such transactions.

17.21 Assignability. Except as otherwise set forth below and/or to the extent required to comply with the provisions of relating to a 1031 Exchange, if applicable, this Agreement is not assignable by Buyer without first obtaining the prior written approval of Seller, which approval shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, Buyer may assign this Agreement, without first obtaining the prior written approval of Seller, to one or more entities so long as (a) Buyer is an Affiliate of the purchasing entity(ies), (b) the affiliate shall assume all of Buyer’s liability and Buyer shall not be released from its liability hereunder, and (c) Buyer provides written notice to Seller of any such assignment no later than five (5) days prior to the Target Closing Date. No transfer or assignment by Buyer in violation of the provisions hereof shall be valid or enforceable.

[THE REMAINDER OF THE PAGE IS INTENTIONALLY BLANK]

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the date first written above.

**BUYER:**

**Paris Baguette U.S.A., Inc.,**  
a Delaware corporation

By:   
Name: Darren Tipton  
Its: CEO

**SELLER:**

**The Burlison 4A Economic Development Corporation,**  
a Texas municipal development corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**ACCEPTANCE BY ESCROW AGENT**

Escrow Agent acknowledges receipt of the foregoing Agreement and accepts the instructions contained therein.

Dated: February \_\_\_\_, 2025

Capital Title of Texas,  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_



**LIST OF SCHEDULES & EXHIBITS**

SCHEDULE 5.6	DESCRIPTION OF LEASES & CONTRACT
EXHIBIT "A"	LEGAL DESCRIPTION
EXHIBIT "B"	SPECIAL WARRANTY DEED
EXHIBIT "C"	FEDERAL CERTIFICATE

**SCHEDULE 5.6**

DESCRIPTION OF LEASES & CONTRACTS

[Leases and Contracts]

None, except oil, gas and mineral leases not owned by Seller.

**EXHIBIT "A"**

## LEGAL DESCRIPTION

A TRACT OF LAND SITUATED IN THE STEPHEN KINSEY SURVEY ABSTRACT NO. 475, JOHNSON COUNTY, TEXAS, BEING A PORTION OF A 18.261 ACRE TRACT OF LAND CONVEYED TO BURLESON HIGHPOINT INVESTMENTS, LLC IN THAT DEED RECORDED IN INSTRUMENT NO. 2017-19087, DEED RECORDS, JOHNSON COUNTY, TEXAS (D.R.J.C.T.), TOGETHER WITH A PORTION OF A 2.898 ACRE TRACT OF LAND CONVEYED TO BURLESON HIGHPOINT INVESTMENTS, LP IN THAT DEED RECORDED IN INSTRUMENT NO. 2018-3883, D.R.J.C.T., AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD FOUND FOR THE MOST EASTERLY CORNER OF SAID 18.261 ACRE TRACT;

THENCE ALONG THE SOUTHEASTERLY LINE OF SAID 18.261 ACRE TRACT THROUGH THE FOLLOWING 3 COURSES AND DISTANCES;

S 58°34'27" W, A DISTANCE OF 157.08 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "PACHECO KOCH";

N 13°21'39" W, A DISTANCE OF 18.13 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "PACHECO KOCH";

S 57°24'01" W, A DISTANCE OF 61.33 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "RPLS 5544";

THENCE LEAVING SAID SOUTHEASTERLY LINE N 30°49'14" W, A DISTANCE OF 237.03 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "RPLS 5544";

THENCE S 59°10'46" W, A DISTANCE OF 433.91 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "RPLS 5544" IN THE NORTHEASTERLY RIGHT-OF-WAY LINE OF VANTAGE DRIVE (70' R-O-W) AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT WITH A RADIUS OF 564.00 FEET, WHOSE LONG CHORD BEARS N 25°42'22" W, 195.31 FEET;

THENCE ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE AND ALONG SAID NON-TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 19°56'31", AN ARC LENGTH OF 196.30 FEET TO A 1/2" IRON ROD FOUND FOR THE MOST SOUTHERLY CORNER OF SAID 2.898 ACRE TRACT AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT WITH A RADIUS OF 564.00 FEET, WHOSE LONG CHORD BEARS N 38°05'31" W, 48.53 FEET;

THENCE CONTINUING ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE AND ALONG SAID NON-TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 4°55'54", AN ARC LENGTH OF 48.54 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "PREMIER SURVEYING";

THENCE N 40°19'39" W, DISTANCE OF 80.63 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "RPLS 5544";

THENCE LEAVING SAID NORTHEASTERLY RIGHT-OF-WAY LINE N 59°10'46" E, A DISTANCE OF 815.47 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "RPLS 5544" IN THE NORTHEASTERLY LINE OF SAID 18.261 ACRE TRACT;

THENCE S 14°36'36" E ALONG SAID NORTHEASTERLY LINE, A DISTANCE OF 596.68 FEET THE POINT OF BEGINNING AND **CONTAINING 7.000 ACRES OF LAND**, MORE OR LESS.

**EXHIBIT "B"**

FORM OF SPECIAL WARRANTY DEED

Upon Recording, Please Return to:

Nelson Mullins Riley & Scarborough LLP  
1111 Bagby Street, Suite 2100  
Houston, Texas 77002  
Attention: Patrick LaRue

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

**SPECIAL WARRANTY DEED**

STATE OF TEXAS §  
  §       KNOW ALL PERSONS BY THESE PRESENTS:  
COUNTY OF JOHNSON §

The Burleson 4A Economic Development Corporation, a Texas municipal development corporation, whose address is 141 W. Renfro Street, Burleson, Texas 76028, (herein called "Grantor"), in consideration of the sum of \$10.00 and other good and valuable consideration paid to Grantor by the grantee named below, the receipt and sufficiency of which are acknowledged by this instrument, does hereby grant, sell, and convey unto Paris Baguette U.S.A., Inc., whose address is 137 W. Commercial Ave., Moonachie, NJ 07074, (herein called "Grantee"), all of that certain property situated and located in the County of Johnson, State of Texas, more fully described in Exhibit A attached hereto (the "Property").

Grantor, for the consideration described above grants, sells, and conveys to Grantee the Property "as-is", "where is" and "with all faults" and without express or implied warranty, except for warranty of title as provided herein. All warranties that might arise by common law as well as the warranties in Section 5.023 of the Texas Property Code (or its successor) are expressly excluded.

To have and to hold the premises, together with all of the rights, hereditary property, ways, and appurtenances belonging or at all appertaining to the Property and the premises, to grantee and grantee's heirs, successors, and assigns forever. Grantor does by this instrument bind Grantor and grantor's heirs, successors, and assigns to warrant and forever defend the title to the Property to grantee's heirs, successors, and assigns, against every person lawfully claiming, or to claim the Property, or any part of such Property, by, through, or under the Grantor, but not otherwise.

This conveyance and the warranty of title herein are made subject to the following matters:

- 1. The Grantor is tax exempt and the lien for current taxes and assessments not in default.

- 2. Any and all restrictions, covenants, conditions, and easements, if any, relating to the above-described Property shown of record in the above-mentioned County and State.
- 3. All zoning laws, regulations, and ordinances of municipal and/or other governmental authorities, if any, relating to the above-described Property.
- 4. All matters listed on **Exhibit B** attached hereto.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

THE BURLESON 4A ECONOMIC DEVELOPMENT CORPORATION,  
a Texas municipal development corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_, 2025 by \_\_\_\_\_.

NOTARY PUBLIC

**EXHIBIT A**  
**TO SPECIAL WARRANTY DEED**

**[Legal Description]**

A TRACT OF LAND SITUATED IN THE STEPHEN KINSEY SURVEY ABSTRACT NO. 475, JOHNSON COUNTY, TEXAS, BEING A PORTION OF A 18.261 ACRE TRACT OF LAND CONVEYED TO BURLESON HIGHPOINT INVESTMENTS, LLC IN THAT DEED RECORDED IN INSTRUMENT NO. 2017-19087, DEED RECORDS, JOHNSON COUNTY, TEXAS (D.R.J.C.T.), TOGETHER WITH A PORTION OF A 2.898 ACRE TRACT OF LAND CONVEYED TO BURLESON HIGHPOINT INVESTMENTS, LP IN THAT DEED RECORDED IN INSTRUMENT NO. 2018-3883, D.R.J.C.T., AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" IRON ROD FOUND FOR THE MOST EASTERLY CORNER OF SAID 18.261 ACRE TRACT;

THENCE ALONG THE SOUTHEASTERLY LINE OF SAID 18.261 ACRE TRACT THROUGH THE FOLLOWING 3 COURSES AND DISTANCES;

S 58°34'27" W, A DISTANCE OF 157.08 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "PACHECO KOCH";

N 13°21'39" W, A DISTANCE OF 18.13 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "PACHECO KOCH";

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THENCE LEAVING SAID SOUTHEASTERLY LINE N 30°49'14" W, A DISTANCE OF 237.03 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "RPLS 5544";

THENCE S 59°10'46" W, A DISTANCE OF 433.91 FEET TO A 1/2" IRON ROD SET WITH A CAP STAMPED "RPLS 5544" IN THE NORTHEASTERLY RIGHT-OF-WAY LINE OF VANTAGE DRIVE (70' R-O-W) AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT WITH A RADIUS OF 564.00 FEET, WHOSE LONG CHORD BEARS N 25°42'22" W, 195.31 FEET;

THENCE ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE AND ALONG SAID NON-TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 19°56'31", AN ARC LENGTH OF 196.30 FEET TO A 1/2" IRON ROD FOUND FOR THE MOST SOUTHERLY CORNER OF SAID 2.898 ACRE TRACT AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT WITH A RADIUS OF 564.00 FEET, WHOSE LONG CHORD BEARS N 38°05'31" W, 48.53 FEET;

THENCE CONTINUING ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE AND ALONG SAID NON-TANGENT CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 4°55'54", AN ARC LENGTH OF 48.54 FEET TO A 1/2" IRON ROD FOUND WITH A CAP STAMPED "PREMIER SURVEYING";

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THENCE S 14°36'36" E ALONG SAID NORTHEASTERLY LINE, A DISTANCE OF 596.68 FEET THE POINT OF BEGINNING AND **CONTAINING 7.000 ACRES OF LAND**, MORE OR LESS.



**EXHIBIT B**  
**TO SPECIAL WARRANTY DEED**

**[Permitted Exceptions]**

1. Taxes or assessments for the year 2025, and subsequent years, not yet due or payable, the payment of which Grantee assumes.
2. [TO BE COMPLETED]

**EXHIBIT "C"**

FEDERAL CERTIFICATE

**TRANSFEROR'S CERTIFICATION OF NON-FOREIGN STATUS**

To inform Paris Baguette U.S.A., Inc., a Delaware corporation ("**Transferee**"), that withholding of tax under Section 1445 of the Internal Revenue Code of 1986, as amended (the "**Code**"), will not be required upon the transfer of certain real property, located in the City of Burleson, County of Johnson, State of Texas to Transferee, by The Burleson 4A Economic Development Corporation, a Texas municipal development corporation ("**Transferor**").

Transferor hereby certifies to Transferee:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder);
2. Transferor's U.S. tax identification number is \_\_\_\_\_;
3. Transferor is not a disregarded entity as defined in §1.1445-2(b)(2)(iii) of the Code; and
4. Transferor's office address is \_\_\_\_\_.

Transferor understands that this Certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Transferor understands that Transferee is relying on this Certification in determining whether withholding is required upon said transfer.

Under penalty of perjury the undersigned declares that it has examined this Certification and to the best of its knowledge and belief it is true, correct and complete, and the undersigned further declares that it has authority to sign this Certification on behalf of Transferor.

**TRANSFEROR:**

**The Burleson 4A Economic Development Corporation,**  
a Texas municipal development corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

---

**Economic Development Corporation (Type A)**

**DEPARTMENT:** Economic Development  
**FROM:** Alex Philips, Economic Development Director  
**MEETING:** March 24, 2025

---

**SUBJECT:**

Consider approval of a resolution authorizing a land sale contract between Burleson 4A Economic Development Corporation and 1451, LLC for a 7-acre tract located in Highpoint Business Park on Vantage Drive near Cirrus Drive. (*Staff Contact: Alex Philips, Economic Development Director*)

**SUMMARY:**

KMP Plumbing, LLC is a family owned business specializing in residential and commercial plumbing and heating & air. They have been established in Mansfield, Texas since 1985. Their goal is to provide outstanding customer service from the first contact to the completion of the job.

KMP Plumbing is growing and they are needing more space for the future. They are proposing to purchase a 7-acre tract from the Burleson 4A Economic Development Corporation for \$1,200,000 for the development of the service center and corporate headquarters. The development would consist of a 20,000 square foot facility with a \$6 million-dollar capital investment. The company currently employs 73 full time employees and produces approximately \$120,000 a year in sales tax.

**RECOMMENDATION:**

Staff recommends approval of this land sale contract

**PRIOR ACTION/INPUT (Council, Boards, Citizens):**

N/A

**REFERENCE:**

**FISCAL IMPACT:**

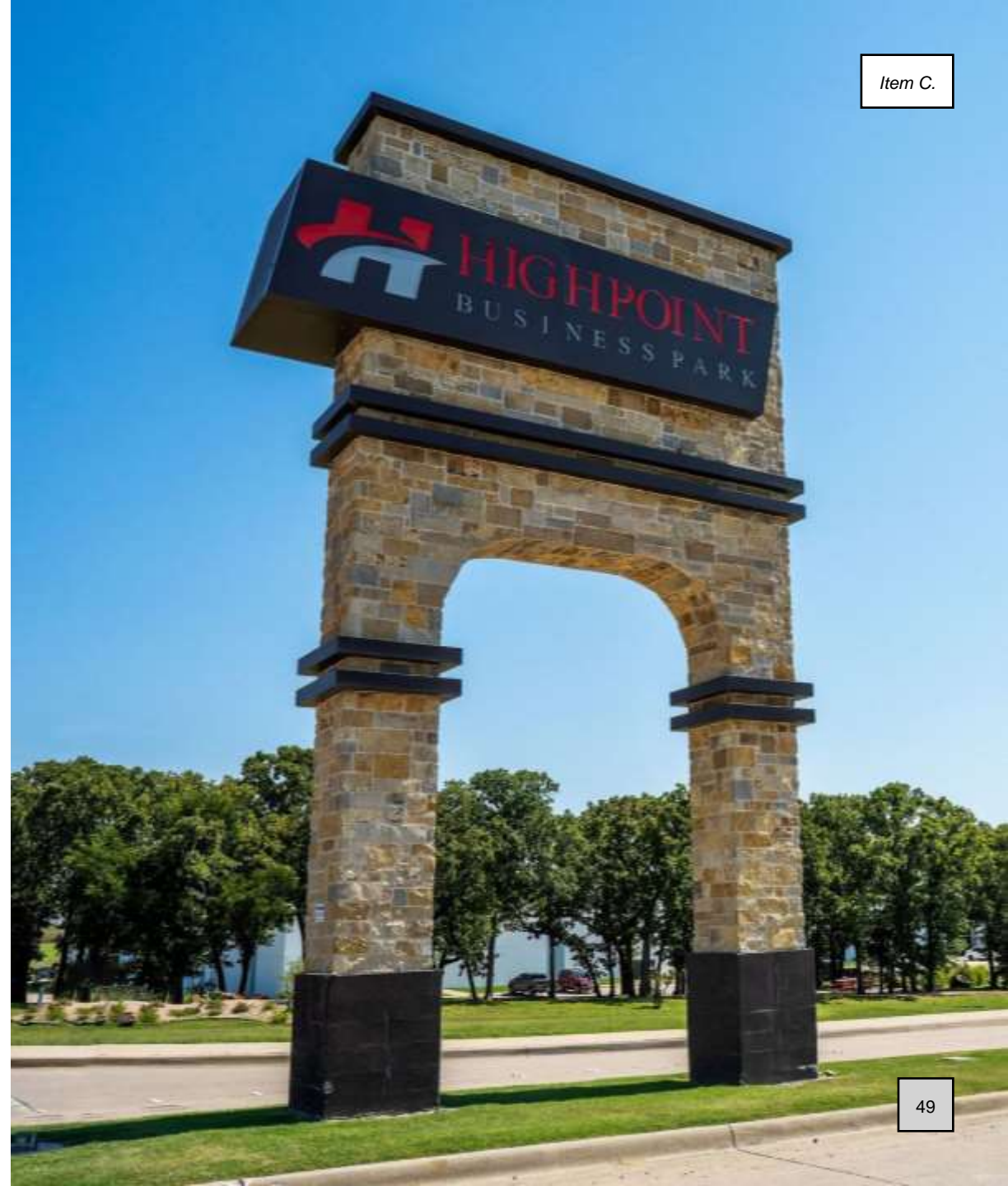
**STAFF CONTACT:**

Alex Philips  
Economic Development Director  
[aphilips@burlson.tx.com](mailto:aphilips@burlson.tx.com)

# Project Mario Bros

Burleson 4A & City Council Session  
3/24/25

Item C.



# Project Mario Bros Details

- Plumbing, Heating & Air Corporate Office and service company located in Mansfield and servicing residential, commercial and industrial projects.
- Family owned and Operated since 1985
- The company currently employs 73 people, and the move and expansion would create 30 new jobs
- \$6 Million minimum total capital investment
- The company would purchase the 7-acre site in Highpoint Business Park for their new Corporate Office and Service Center.
- The Company would be expanding to offer electrical services.
- Their mission and hope is that our services have a positive impact on our community and improve the quality of living for all individuals through our commitment to character, hard work and integrity.



# Project Mario Bros Obligations

- KMP Plumbing, LLC to close on the property by May 31, 2025.
- KMP Plumbing, LLC, Inc to submit the building and civil plans for the development by June 30, 2025.
- KMP Plumbing, LLC, Inc to commence construction by October 31, 2025.
- KMP Plumbing, LLC shall pour a building foundation acceptable to the City's building official on or before February 28, 2026.
- KMP Plumbing, LLC, to complete the construction of the facility with a capital investment of at least \$6 million dollars by October 31, 2026.
- The Company shall operate the Facility as a plumbing, heating, and air business and distributor and maintain the Facility as its sole corporate headquarters for at least five (5) years after the issuance of a Certificate of Occupancy for the Facility.
- Within forty-five (45) days of the issuance of a Certificate of Occupancy for the Facility, the Company shall have at least seventy (70) FTEs at the Facility, and no later than the expiration of the Term, the Company shall have hired the additional 30 new FTE's at the facility.





# EDC Incentive Obligations

- The 4A to issue a cash grant in the amount of \$400,000 once the prospect has received the building permit for the development.
- The 4A to issue a cash grant in the amount of \$400,000 once the prospect has poured and completed city inspection of the foundations of the building.
- The 4A to issue a cash grant in the amount of \$400,000 once the developer receives the certificate of occupancy for the building.
- The 4A to reimburse any and all development fees excluding impact fees up to \$100,000 after the Certificate of Occupancy is issued.
- The 4A to issue a cash grant in the amount of \$200,000 once the developer hires an additional 30 full time employees.



**Economic  
Development**



# Project Mario Bros Summary

Item C.

	2024 Year 1	2025 Year 2	2026 Year 3	2027 Year 4	2028 Year 5	2029 Year 6	2030 Year 7	2031 Year 8	2032 Year 9	2033 Year 10
<b>CAPEX</b>	\$ 6,600,000.00	\$ 6,798,000.00	\$ 7,001,940.00	\$ 7,211,998.20	\$ 7,428,358.15	\$ 7,651,208.89	\$ 7,880,745.16	\$ 8,117,167.51	\$ 8,360,682.54	\$ 8,611,503.01
<b>Appraised Value (70% of CAPEX)</b>	\$ 4,620,000.00	\$ 4,758,600.00	\$ 4,901,358.00	\$ 5,048,398.74	\$ 5,199,850.70	\$ 5,355,846.22	\$ 5,516,521.61	\$ 5,682,017.26	\$ 5,852,477.78	\$ 6,028,052.11
<b>Revenue</b>										
	\$ 1,200,000.00									
Sales Tax	\$ 120,000.00	\$ 123,600.00	\$ 127,308.00	\$ 131,127.24	\$ 135,061.06	\$ 139,112.89	\$ 143,286.28	\$ 147,584.86	\$ 152,012.41	\$ 156,572.78
Property Tax	\$ 33,264.00	\$ 34,261.92	\$ 35,289.78	\$ 36,348.47	\$ 37,438.93	\$ 38,562.09	\$ 39,718.96	\$ 40,910.52	\$ 42,137.84	\$ 43,401.98
<b>Expenses</b>										
Sales Rebate										
Site Improvements										
Demo & Env.										
	\$ (400,000.00)	\$ (400,000.00)	\$ (400,000.00)	\$ (100,000.00)	\$ (200,000.00)					
<b>Annual</b>	\$ 953,264.00	\$ (242,138.08)	\$ (237,402.22)	\$ 67,475.71	\$ (27,500.02)	\$ 177,674.98	\$ 183,005.23	\$ 188,495.39	\$ 194,150.25	\$ 199,974.76
<b>Cumulative</b>		\$ 711,125.92	\$ 473,723.70	\$ 541,199.41	\$ 513,699.39	\$ 691,374.37	\$ 874,379.60	\$ 1,062,874.99	\$ 1,257,025.24	\$ 1,457,000.00

<b>10yr ROI</b>	<b>97%</b>
<b>20yr ROI</b>	<b>255%</b>

# Recommendation

- **Approve the Performance Agreement with KMP Plumbing, LLC to develop a new service center and corporate headquarters at Highpoint Business Park.**
- Deny the Performance Agreement with KMP Plumbing, LLC.
- **Approve the resolution authorizing the land sale contract**
- Deny the resolution
- Questions?



**RESOLUTION 1451,LLC CONTRACT**

**A RESOLUTION OF THE BURLESON 4A ECONMIC DEVELOPMENT CORPORATION AUTHORIZING THE BOARD PRESIDENT TO EXECUTE A CONTRACT BETWEEN THE TYPE A CORPORATION, AS SELLER, AND 1451, LLC, AS BUYERS, TO ACQUIRE FEE SIMPLE TITLE TO A 7.01 ACRE TRACT OF LAND SITUATED IN JOHNSON COUNTY, TEXAS, IN HIGHPOINT BUSINESS PARK, LOT 1R1, BLOCK 7, HIGHPOINT BUSINESS PARK, BURLESON, TEXAS (THE “PROPERTY”) FOR THE SALES PRICE OF \$1,200,000.00, AND OTHER CONSIDERATION, AS PRESCRIBED IN THE REAL ESTATE CONTRACT ATTACHED IN EXHIBIT “A” (THE “CONTRACT”); AUTHORIZING THE BOARD PRESIDENT TO EXECUTE ALL DOCUMENTS NECESSARY TO CLOSE ON THE CONTRACT; AUTHORIZING THE EXPENDITURE OF FUNDS; REQUEST FOR BURLESON CITY COUNCIL RATIFICATION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Burleson 4A Economic Development Corporation, known as the “Type A Corporation”, incorporated and certified in October 2000 under the authorization of the Development Corporation Act of 1979; and

**WHEREAS**, the City of Burleson, Texas (“City”), is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the Type A Corporation and Buyers desire to enter into the Real Estate Contract, attached hereto as Exhibit “A” and incorporated herein by reference for all purposes (the “Contract”); and

**WHEREAS**, the Type A Corporation desires that the Board President, Dan McClendon, execute the Contract on behalf of the Type A Corporation with the Buyer; and

**WHEREAS**, the Type A Corporation desires to close the real estate transaction described in the Contract; and

**WHEREAS**, the Type A Corporation desires the Board President, Dan McClendon, execute all documents necessary to close the real estate transaction described in the Contract; and

**WHEREAS**, the Type A Corporation desires to sell the Property pursuant to the Contract; and

**WHEREAS**, the Type A Corporation desires the City approve this action;

**NOW, THEREFORE, BE IT RESOLVED BY THE BURLESON 4A ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS, THAT:**

**Section 1.**

The Board President, Dan McClendon, is authorized: (a) to execute on behalf of the Type A Corporation (i) the Contract between the Type A Corporation and the Buyer, substantially in the form attached as Exhibit "A", with the purchase price of \$1,200,000.00 and other consideration, and (ii) any other documents necessary for closing the transaction contemplated by the Contract; and (b) to make expenditures in accordance with the terms of the Contract and in closing the transaction contemplated by the Contract.

**Section 2.**

The foregoing recitals are adopted and incorporated herein for all purposes.

**Section 3.**

The Type A Corporation hereby requests that the City Council of the City of Burleson ratify this resolution and actions of the Type A Corporation. Accordingly, this resolution shall take effect immediately after such ratification.

**PASSED, APPROVED, AND SO RESOLVED** by the Board of Directors of the Burleson 4A Economic Development Corporation on the \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Dan McClendon, Board President  
Burleson 4A Economic Development Corporation

ATTEST:

\_\_\_\_\_  
Amanda Campos, Secretary

## REAL ESTATE PURCHASE AGREEMENT

### 1. CONTRACT TO SELL AND PURCHASE.

The Burleson 4A Economic Development Corporation, a Texas municipal development corporation organized under the laws of the State of Texas (hereinafter "Seller"), hereby agrees to sell and convey to 1451, LLC, a Texas limited liability company (hereinafter "Purchaser"), individually a "Party," and collectively "Parties," fee simple absolute title to the following real property:

Being a 7.01 acre tract of land situated in the Hiram Lewis Survey, Abstract Number 517, Johnson County, Texas, in the City of Burleson, being all of Lot 1R1, Block 7, Highpoint Business Park of Burleson, according to the Plat recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas.

hereinafter the "Land," on the terms and conditions provided in this Real Estate Contract of Sale (the "Contract"), and Purchaser hereby agrees to purchase and pay for said Property on the terms and conditions provided herein.

### 2. PROPERTY TO BE CONVEYED.

The Land to be conveyed is generally shown on the attached preliminary survey **Exhibit A** and is more particularly described on the legal description attached hereto as **Exhibit B**, together with Grantor's rights, title, and interest in and to adjacent streets, easements, alleys, rights-of-way, and any adjacent strips or gores of real estate, together with all and singular the rights, privileges and easements appurtenant thereto, and all water, wastewater and other utility rights relating to the Property, and any and all easements, rights-of-way and other appurtenances used in connection with the beneficial use and enjoyment of the Property, in each case to the extent assignable (the "Ancillary Rights") (collectively, the Land and the Ancillary Rights, are the "Property").

Seller and Purchaser acknowledge that the description of the Property contained in **Exhibit A** of this Contract may be technically and legally insufficient for purposes of supporting an action for specific performance or other enforcement hereof. Seller and Purchaser confirm to one another that, notwithstanding such insufficiency, they desire to proceed to create this Contract and anticipate that Purchaser will obtain a Survey of the Property pursuant to this Contract. Therefore, since the parties are desirous of executing this Contract and further desire to provide certain rights to demand and successfully enforce performance, and to ensure that such rights are not precluded due to the legal description of the Property contained in **Exhibit A**, Seller and Purchaser agree that (a) they are experienced in transactions of the nature provided for in this



Contract; (b) in fact, they specifically are familiar with the location of the Property that is the subject of this Contract; and (c) upon completion of, and mutual approval of, the Survey, the new legal description of the Property contained therein shall automatically be substituted for the legal description attached as **Exhibit A** to this Contract and shall also be the legal description used in the special warranty deed conveying the Property. Upon completion and approval of the Survey and as a condition to closing, Seller shall file an amendment to the plat of the Property recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas, to correct the acreage and description of the Property.

### **3. CONSIDERATION.**

The consideration for the purchase of the Property is One Million, Two Hundred Thousand Dollars and no cents (\$1,200,000.00) (the "Purchase Price") payable in cash at closing. In addition, the Parties contemplate that KMP Plumbing, LLC ("KMP") which is a parent or affiliate company of Purchaser, and the Seller entering into an Economic Development and Performance Agreement, described in Section 14.

### **4. EARNEST MONEY.**

Within two (2) business days after the Effective Date of this Contract, as defined in Section 15.A, Purchaser shall deliver the sum of Fifty Thousand Dollars and no cents (\$50,000.00) to Truly Title of Burleson, 101 NW Ellison Street, Unit 105, Burleson, Texas 76028 ("the Title Company") to be held by the Title Company as Earnest Money (herein so called) pursuant to the terms of this Contract.

### **5. SURVEY AND TITLE BINDER.**

A. Purchaser may, at Purchaser's option, obtain a survey of the Property, to be prepared by a Registered Professional Engineer or Surveyor. Seller shall reasonably cooperate with Purchaser and such Professional Engineer or Surveyor by permitting access to the Property, and by providing any copies of previous surveys, maps, plats, deeds, and other documents in Purchaser's possession affecting or bearing upon the Property, but provision of such documents shall in no way constitute any warranty, representation, or contractual commitment by Seller.

B. Within ten (10) days after the Effective Date of this Contract, Seller shall provide to Purchaser, at Seller's expense:

(1) A title commitment ("Title Binder") covering the Property, binding the Title Company to issue a Texas Owner's Policy of Title Insurance on the standard form of policy prescribed by the Texas State Board of Insurance at the closing in the full amount of the purchase price, and



(2) True, correct, and legible copies of any and all instruments referred to in the Title Binder as constituting encumbrances, exceptions or restrictions upon the title of Seller.

## 6. FEASIBILITY PERIOD.

A. Purchaser will have ninety calendar (90) days after the Effective Date (the "Inspection and Feasibility Period") to seek any desired re-zoning or other processes to accommodate Purchaser's development plans, and to inspect the Property and conduct inspections, studies, tests and examinations on the Property, including, without limitation: (a) core borings; (b) environmental and architectural tests and investigations; (c) physical inspections of improvements, fixtures, equipment, subsurface soils, structural members, and personal property; and (d) examination of documents relating to the condition of the Property. Purchaser and Purchaser's agents, employees, consultants and contractors will have the right of reasonable entry onto the Property during normal business hours, and upon reasonable advance notice to Seller, for purposes of conducting such inspections, studies, tests and examinations deemed necessary by Purchaser. The inspections, studies, tests and examinations will be at Purchaser's expense and risk. Prior to conducting such inspections, studies, tests, or examinations, Purchaser shall notify Seller in writing of Purchaser's intent to such inspections, studies, tests, or examinations, shall provide Seller with the name and address of any contractor retained to conduct such inspections, studies, tests, or examinations, and provide evidence of liability insurance in form and limits reasonably satisfactory to Seller issued by an insurance company licensed in the State of Texas. In the event that Purchaser elects to terminate this Contract for any reason, Purchaser agrees to repair any damage to the Property caused by Purchaser or its agents, employees, consultants or contractors in connection with Purchaser's inspections, studies, tests and examinations. **PURCHASER AGREES TO, AND DOES HEREBY, INDEMNIFY SELLER AGAINST ANY CLAIMS TO THE EXTENT SUCH CLAIMS ARISE DUE TO ANY ACTIONS BY PURCHASER OR PURCHASER'S AGENTS, EMPLOYEES, CONSULTANTS AND CONTRACTORS IN CONNECTION WITH THEIR ENTRY UPON THE PROPERTY; PROVIDED, HOWEVER, THAT SUCH INDEMNIFICATION OBLIGATIONS SHALL NOT EXTEND TO ANY CLAIM FOR LIABILITY TO THE EXTENT ARISING OUT OF ANY PRE-EXISTING CONDITIONS THAT ARE MERELY DISCOVERED BY PURCHASER AND NOT CAUSED OR EXACERBATED BY PURCHASER.**

B. As consideration for Seller agreeing to provide Purchaser the Feasibility and Inspection Period to conduct inspections, studies, tests and examinations on the Property and to seek any necessary re-zoning, within two (2) business days after the Effective Date of this Contract, Purchaser shall deliver directly to Seller the sum of One Hundred Dollars and no cents (\$100.00) (referred to herein as the "Feasibility Option Payment"). This payment is separate from the Earnest Money payment described



above. In the event Purchaser chooses not to proceed to closing, the Earnest Money payment shall be refunded by Seller.

#### **7. TITLE AND SURVEY APPROVAL PERIOD.**

Purchaser shall have twenty (20) calendar days after the receipt of an acceptable survey and Title Binder, and the instruments giving rise to the title encumbrances, exceptions or restrictions upon the Title of Seller, in which to review them and to advise Seller that Seller's Title is or is not acceptable to Purchaser. Any item to which Purchaser does not timely object will be deemed a "Permitted Exception," provided, however, that Purchaser will be deemed to have timely objected to any items the Title Company identifies as to be released upon closing if such item is not actually released. If Title exceptions exist, to which Purchaser timely objects, Seller may, at Seller's discretion, undertake to cause those exceptions to be cured and/or removed from the Title Binder within ten (10) calendar days (the "Cure Period") after such notice to Seller. In the event such exceptions to Title are not cured within the Cure Period, Purchaser may elect, as Purchaser's sole remedy, to terminate this Contract by giving written notice to Seller within ten (10) days after expiration of the Cure Period. In the event of such termination, the Earnest Money will be refunded to Purchaser, and the Parties will have no further obligation to each other. In the event that Purchaser does not terminate this Contract by giving written notice to Seller within ten (10) days after expiration of the Cure Period, Purchaser shall be deemed to have accepted the Title subject to the exceptions as are shown in the Title Commitment and Survey, and to have waived any objection to such exceptions, except for any deeds of trust, liens, security interests or other monetary encumbrances, whether or not Purchaser objects to such items in any notices to Seller.

If at any time prior to closing, the Title Company shall issue any one or more supplemental reports to the Title Binder (each, a "Supplemental Report") disclosing any additional or modified exceptions to title to the Property (a "Supplemental Defect"), Seller shall be obligated to remove or cause the removal of such Supplemental Defect(s) at or prior to closing, whether or not Purchaser affirmatively disapproves of such items in any notice to Seller, and any failure by Seller to do so shall be a default hereunder.

#### **8. SELLER'S REPRESENTATIONS.**

Seller hereby represents and warrants that the representations and warranties of Seller, set forth in Sections A through L below, are true and correct in all material respects as of the date hereof, and shall be true and correct in all material respects as of the Closing Date, as defined below in Section 11.A. All the representations and warranties shall survive the closing for a period of twelve (12) months.



A. No Actions. To Seller's actual knowledge, there are no pending or threatened lawsuits, condemnation actions or other proceedings affecting the Property.

B. No Contracts. Seller has obtained all member consents necessary in connection with Seller's execution and delivery of this Contract. There are no contracts affecting the Property that will survive the closing.

C. Condition of Property. Prior to the closing Date, Seller shall maintain the Property in the same state of repair as of the Effective Date.

D. No Adverse Claims. Seller has received no written notice alleging an adverse claim in or to the Property by any person or persons.

E. Parties in Possession. There are no other parties in possession of the Property or any portion thereof, and no Party has been granted any license, lease or other right relating to the use or possession of the Property that will survive the closing other than easements currently filed of record or that may be shown on the final plat.

F. No Violations. Seller has received no notice of, nor does Seller have any actual knowledge of, a violation of any law or governmental regulation, restrictive covenant or other requirement affecting the Property.

G. Ownership of Property. Seller is the owner of the Property, has title to the Property, and has full power and authority to enter into and perform its obligations under this Contract in accordance with its terms.

H. Authority to Bind. The individual executing this Contract on behalf of Seller is authorized to do so and, upon executing this Contract, this Contract shall be binding and enforceable upon Seller in accordance with its terms.

I. Leases; Options. There are no outstanding written or oral leases in any way affecting the Property, and no person or entity has any right with respect to all or any portion of the Property (whether by option to purchase, right of first refusal, contract, or otherwise) who may prevent or interfere with Purchaser taking title to, and exclusive possession of, all of the Property at closing, other than as set forth in easements currently filed of record.

J. No Notices. Seller has not received any notice of and, to Seller's actual knowledge, there are no (i) proposed special assessments, condemnations or changes in the roads adjacent to the Property; (ii) pending public improvements that will result in any charge being levied or assessed against, or a lien being created upon, the Property; or (iii) pending or threatened eminent domain or condemnation proceedings against or involving any portion of the Property or any adjacent parcel.

K. Litigation. To Seller's actual knowledge, there is no pending or threatened litigation, arbitration, administrative action or examination, claim or demand whatsoever relating to the Property, and no attachments, execution proceedings, liens, assignments or insolvency proceedings are pending or threatened against Seller of the Property or contemplated by Seller.

L. Hazardous Materials. Seller represents that Seller has no actual knowledge of, and has not received notice of, any inquiries or investigations by any governmental authority or third-party with respect to, the presence of hazardous materials on the Property or the migration of hazardous materials or environmental contamination on or under the Property, or any notices of the presence of such materials or contamination on or under the Property, or the violation of any laws, ordinances or regulations regarding the presence of such materials or contamination on or under the Property.

Seller shall fully disclose to Purchaser, immediately upon its occurrence, any change in facts, assumptions or circumstances of which Seller becomes aware prior to the Closing Date that may affect the representations and warranties set forth above.

## **9. PURCHASER'S REPRESENTATIONS.**

Purchaser hereby represents and warrants as follows, which representations and warranties expressly shall survive closing:

A. Authority. Purchaser is a resident of or legal entity registered in the State of Texas with authority to perform all of Purchaser's obligations under this Contract. 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 Purchaser. At closing, Purchaser will deliver such proof of corporate authority as Seller or the Title Company may reasonably request.

B. Litigation. Purchaser represents that there is, at the time Purchaser executes this Contract, no pending or threatened litigation or legal proceeding, including any proceeding under Chapters 7, 11, or 13 of the United States Bankruptcy Code, against Purchaser that might affect Purchaser's ability to perform its obligations under this Contract.

## **10. SPECIAL ASSESSMENTS.**

A. If the Property is situated within a utility district or flood control district and is subject to the provisions of Section 49.52 of the Texas Water Code, then Seller shall give to Purchaser as part of the Title Documents the required written notice. The notice must set forth the current tax rate, the current bonded indebtedness and the authorized



indebtedness of the district, and must comply with all other applicable requirements of the Texas Water Code.

B. If the Property is subject to mandatory membership in a property owner's association, Seller shall provide the name, address and telephone number of the property owner's association and shall notify Purchaser of the current annual budget of the property owners' association, the current authorized periodic fees, dues and/or assessments, and any contemplated future assessments of which Seller is aware relating to the Property.

**11. CLOSING.**

A. The closing of this Contract shall be held on June 1, 2025, at the offices of the Title Company at its address stated above; provided, however, that either Party, by written notice to the other, may postpone the date of the closing to such date as shall be designated in such notice, provided that such postponed date shall not be more than thirty (30) days after the Closing Date specified above, absent written agreement by the Parties.

B. At the closing, Seller shall deliver to Purchaser at Seller's expense: (i) a special warranty deed conveying the Property according to the legal descriptions attached hereto or as prepared by the surveyor as shown on the survey of the Property; (ii) to ensure the public purposes and performance obligations of the Economic Development and Performance Agreement are satisfied in compliance with Texas law, the special warranty deed shall include a right to repurchase to the Seller conditioned upon KMP's obligation to pour a building foundation acceptable to the City of Burleson building official on or before February 28, 2026; and (iii) exclusive possession of the Property.

C. At the closing, Purchaser shall deliver to Seller the Purchase Price in cash or certified funds, less the Earnest Money, which the Title Company shall deliver to Seller as a credit against the Purchase Price.

D. The Title Company shall issue and present to Purchaser, at Seller's expense, an Owner's Title Policy issued by the underwriter for the Title Company pursuant to the Title Binder, subject only to the permitted exceptions, insuring good and indefeasible title to the Property vested in Purchaser in the full amount of the total Purchase Price of the Property, free and clear of all liens and encumbrances, except those matters accepted or waived by Purchaser, as provided herein.

E. Seller shall bear the costs for any required tax statements and reports, the costs for preparation and filing of the special warranty deed, the Title Policy, and any required releases of liens. Purchaser shall bear the costs for the Survey. Seller and Purchaser shall bear equally the costs of any escrow fees, courier and delivery fees,



and copy and reproduction fees. Except as provided otherwise herein, Purchaser and Seller shall bear all remaining closing costs in equal shares.

F. Interest, ad valorem taxes, and any other assessments or fees for the then-current year shall be prorated at the closing, effective as of the Closing Date, provided that since Seller is a tax-exempt organization, Seller will not be required to pay any taxes at closing. Rather, the Parties shall authorize and instruct the Title Company to inform the appropriate taxing authorities of the transaction and Seller's tax-exempt status, and the Title Company shall, if appropriate, collect any prorated taxes only from Purchaser. If the closing occurs before any tax rate or assessment is fixed for the year of the closing, the apportionment of the taxes will be upon the basis of the rate for the preceding year applied to the latest assessed valuation, but any difference between actual and estimated taxes for the year of the closing will be adjusted equitably upon receipt of a written statement of the actual amount. If this sale or Purchaser's use of the Property after closing results in the assessment of additional taxes for periods prior to closing, such additional taxes shall be the obligation of Seller, except where exempt, provided, however, under no circumstances shall Purchaser have any obligation for such taxes, interest or penalties. This provision will survive the closing.

G. Foreign Person Notification. If Seller is a foreign person, as defined by the Internal Revenue Code, or if Seller fails to deliver to Purchaser or the Title Company a non-foreign affidavit pursuant to Section 1445 of the Internal Revenue Code, then Purchaser may withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the withheld proceeds to the Internal Revenue Service, together with appropriate tax forms. The required affidavit from Seller will include: (1) a statement that Seller is not a foreign person; (2) the U. S. taxpayer identification number of Seller; and (3) any other information required by Section 1445 of the Internal Revenue Code or other applicable law or regulation.

## **12. TERMINATION.**

If this Contract is terminated by Purchaser as permitted herein pursuant to a right of termination granted to Purchaser by any provision of this Contract, the Parties shall have no further obligation one to the other, except as otherwise provided herein. If Purchaser elects to so terminate, and if such termination is not due to any default by Seller, if the condition of the Property was altered due to inspections, studies, tests or examinations performed by Purchaser or on Purchaser's behalf, then Purchaser must restore the Property to its original condition at Purchaser's expense, and except as otherwise provided herein.

## **13. DEFAULT.**

A. If Seller shall fail to consummate this Contract for any reason, except Purchaser's default, Purchaser may enforce specific performance of this Contract or

may bring suit for damages against Seller; provided, however, that Purchaser shall not be entitled to recover any consequential damages.

B. If Purchaser shall fail to consummate this Contract for any reason, except Seller's default or the termination of this Contract pursuant to a right to terminate given herein, Seller shall have the right to have the Earnest Money paid to Seller as liquidated damages for the breach of this Contract as Seller's sole remedy.

#### 14. ECONOMIC DEVELOPMENT AGREEMENT.

The development of the Property will create significant new ad valorem tax base for the City of Burleson and other taxing jurisdictions, will provide new employment opportunities, and will reduce the tax burden upon the residents of the City of Burleson. As consideration for this, the closing of this transaction is contingent upon Seller and KMP entering into an Economic Development and Performance Agreement in accordance with the Development Corporation Act of 1979, within ninety (90) days of the Effective Date of this Contract. Pursuant to the Economic Development and Performance Agreement, Purchaser is an "Affiliate" of KMP that will own and operate the Project and this Contract satisfies the conditions of Section 13.12 of the Economic Development and Performance Agreement.

#### 15. MISCELLANEOUS PROVISIONS.

A. **Effective Date of Contract.** The term "Effective Date" of this Contract as used herein shall mean the day that this Contract has been: (1) signed by Purchaser; (2) approved by the Board of Directors of Seller; and (3) signed by the Seller. If the final date of any period falls upon a Saturday, Sunday or legal holiday under the laws of the State of Texas, or upon a date when the office of the Title Company is closed for other reasons, then in such event the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday under the laws of the State of Texas, when the Title Company's office is open.

B. **Notices.** Any notice or communication required or permitted hereunder shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage fully prepaid, certified mail, addressed to the intended recipient at the addresses shown below, with a copy to such recipient's legal counsel, if the name of such legal counsel is shown below, or faxed to the facsimile transmission numbers of such persons shown on the signature page of this Contract. Any address for notice may be changed by written notice so given.

All notices required by this Contract shall be sent to:

**SELLER:**



The Burleson 4A Economic Development Corporation  
Attention: City Manager  
141 W Renfro Street  
Burleson, Texas 76028  
Facsimile: 817-426-9376

With a copy to:

Taylor, Olson, Adkins, Sralla & Elam, L.L.P.  
Attention: Dean Roggia  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
(817) 332-2580  
Facsimile: 817-332-4740

**PURCHASER:**

1451, LLC, a Texas limited liability company  
Attention: Rustin Mayse  
1451 Heritage Parkway  
Mansfield, Texas 76063

With a copy to:

Brackett & Ellis, P.C.  
Attention: Amanda B. Hernandez  
100 Main Street  
Fort Worth, Texas 76102  
(817) 339-2470  
Email: ahernandez@belaw.com

C. **Forms.** At closing, Seller will execute, acknowledge and deliver a special warranty deed in the form attached to this Contract as **Exhibit C**.

D. **Attorney's Fees.** If either Party shall be required to employ an attorney to enforce or defend the rights of such Party herein, the prevailing Party shall be entitled to recover reasonable attorney's fees.

E. **Integration.** This Contract contains the complete agreement between the Parties and cannot be varied except by written agreement of the Parties. The Parties agree that there are no oral agreements, understandings, representations or warranties that are not expressly set forth herein.

F. **Survival.** The terms and conditions of this Contract and all representations, warranties, covenants and agreements made by Seller shall survive the closing of this transaction, and shall not merge herein.

G. **Binding Effect.** This Contract shall inure to the benefit of and bind the Parties hereto and their respective heirs, representatives, successors and assigns and shall be construed under the laws of the State of Texas.

H. **Rules of Construction.** The Parties acknowledge and agree that this Contract is the product of negotiation and compromise, and that both Parties have consulted legal counsel in the negotiation of the Contract, and that the Contract shall not be construed against the other Party, but all other rules of contract construction shall apply.

I. **Choice of Law and Place of Performance and Venue.** This Contract is to be construed under the substantive laws of the State of Texas, without regard to its choice of law rules. This Contract is to be performed entirely in Johnson County, Texas, and in the event of any dispute, venue shall be in the state courts located in Johnson County, Texas.

J. **Entire Contract.** This Contract, together with the Economic Development and Performance Agreement and any exhibits and addenda, any documents provided by Seller to Purchaser pursuant to this Contract, and any closing documents delivered at closing, constitute the entire agreement of the Parties concerning this transaction. There are no oral representations, warranties, agreements or promises pertaining to the sale of the Property by Seller to Purchaser not incorporated in this Contract, any exhibits and addenda, any documents provided by Seller to Purchaser pursuant to this Contract, or any closing documents delivered at closing.

K. **No Waiver of Default.** A failure of the non-defaulting Party to declare immediately a default shall not constitute a waiver of any provision of this Contract, unless this Contract expressly specifies a specific time for objection and a waiver upon a failure to timely object.

## 16. CONTRACT AS OFFER.

The execution of this Contract by the first Party to do so constitutes an offer to purchase or sell the Property. Unless within fifteen (15) days from the Effective Date of this Contract this Contract is accepted by the other Party and a fully executed copy is delivered to the first Party, the offer of this Contract shall be automatically revoked and terminated, and the Earnest Money, if any, shall be returned to Purchaser.

## 17. CHANGE OF POSSESSION.



Seller will deliver exclusive possession of the Property to Purchaser at closing.

**18. DISCLAIMERS; RELEASES; AS-IS SALE.**

PURCHASER HAS INSPECTED THE PROPERTY AND ACCEPTS IT AS-IS, AND ACKNOWLEDGES THAT SELLER MAKES NO WARRANTY OR REPRESENTATION REGARDING THE PROPERTY OR ITS CONDITION, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 8 ABOVE, OR OTHERWISE PROVIDED IN THIS CONTRACT AND THE WARRANTY OF TITLE WHICH WILL BE SET FORTH IN THE DEED. EXCEPT AS SET FORTH IN THIS CONTRACT AND IN THE DEED, PURCHASER ACKNOWLEDGES THAT SELLER MAKES NO WARRANTY OR REPRESENTATION THAT THE PROPERTY IS SUITABLE FOR PURCHASER'S INTENDED USE. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS CONTRACT, SELLER AND PURCHASER AGREE THAT EXCEPT AS SET FORTH IN THIS CONTRACT AND IN THE DEED, PURCHASER IS TAKING THE PROPERTY "AS IS," "WHERE IS" AND "WITH ALL FAULTS" AND WITH ANY AND ALL LATENT, AND PATENT DEFECTS AND THAT THERE IS NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE (INCLUDING, WITHOUT LIMITATION, WARRANTIES WITH RESPECT TO HABITABILITY, MARKETABILITY, USE OR FITNESS FOR A PARTICULAR PURPOSE) MADE BY SELLER WITH RESPECT TO THE PROPERTY, ALL OTHER REPRESENTATIONS AND WARRANTIES, BOTH EXPRESS AND IMPLIED, ARE HEREBY EXPRESSLY DISCLAIMED AND DENIED. PURCHASER ACKNOWLEDGES THAT IT HAS BEEN OR WILL BE GIVEN ADEQUATE TIME TO CONDUCT WHATEVER EXAMINATION, EVALUATIONS, INSPECTIONS, REVIEWS, STUDIES OR TESTS OF THE PROPERTY AND ITS CONDITION AS PURCHASER MAY DESIRE OR DETERMINE WARRANTED, AND THAT EXCEPT FOR THE WARRANTIES AND REPRESENTATIONS SET FORTH IN THIS CONTRACT AND THE WARRANTY OF TITLE SET FORTH IN THE DEED, PURCHASER DISCLAIMS ANY RELIANCE ON ANY REPRESENTATION, WARRANTY, STATEMENT OR OTHER ASSERTION WITH RESPECT TO THE PROPERTY OR ITS CONDITION BY SELLER OR ANY OF SELLER'S AFFILIATES OR ANY MEMBER, OFFICER, DIRECTOR, TRUSTEE, BROKER, AGENT, EMPLOYEE OR OTHER PERSON ACTING OR PURPORTING TO ACT ON BEHALF OF SELLER OR ANY OF ITS AFFILIATES, BUT PURCHASER IS RELYING SOLELY ON ITS OWN EXAMINATION, EVALUATIONS, INSPECTIONS, REVIEWS, STUDIES OR TESTS OF THE PROPERTY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE CLOSING WITHOUT LIMITATION.

**19. COMMISSIONS.**

Both parties represent and warrant to each other that neither has dealt with any broker or finder in respect to the transaction contemplated hereby. Purchaser and Seller covenant and agree that each will, to the extent permitted by law, hold the other



Signed on this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

BURLESON, TEXAS 4A ECONOMIC  
DEVELOPMENT CORPORATION,

SELLER

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

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

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

THE STATE OF TEXAS       §  
  §  
COUNTY OF JOHNSON       §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_ of the Burleson 4A Economic Development  
Corporation, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas  
Local Government Code, known to me to be the person whose name is subscribed to  
the foregoing instrument, and acknowledged to me that he executed the same for the  
purpose and consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_ day of \_\_\_\_\_,  
202\_\_.

[SEAL]

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Printed/Typed Name of Notary

My Commission Expires: \_\_\_\_\_

**EARNEST MONEY RECEIPT**

The undersigned certifies that the above-named Purchaser has paid to Truly Title of Burleson the sum of Fifty Thousand Dollars and no cents (\$50,000.00) on this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

TRULY TITLE OF BURLESON

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

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

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

101 NW Ellison Street Unit 105  
Burleson, Texas 76028

**SIGNATURE PAGES**

Seller and Purchaser have executed this Contract on the dates which follow below their respective signatures.

Signed on this 27<sup>th</sup> day of February, 2025.

1451, LLC, a Texas limited liability company,

PURCHASER

By: [Signature]  
Name: Rustin Mayse  
Title: Owner

THE STATE OF TEXAS           §  
  §  
COUNTY OF TARRANT       §

BEFORE ME, the undersigned authority, on this day personally appeared RUSTIN MAYSE, OWNER of 1451, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 27<sup>th</sup> day of FEBRUARY, 2025.

[SEAL]



[Signature]  
Notary Public in and for the State of Texas

LISA THREADGILL  
Printed/Typed Name of Notary  
My Commission Expires: 3/12/26

harmless from and against all liabilities, claims, demands and actions by third parties for brokerage, commission, finder's or other fees relative to negotiation or execution of this Contract, or the purchase and sale of the Property, and any court costs, attorneys' fees or other costs or expenses arising therefrom. This paragraph shall survive any termination or closing of this Contract.

**20. TEXAS REAL ESTATE LICENSING ACT.**

The Texas Real Estate License Act requires a real estate agent to advise Purchaser that he should have an attorney examine an abstract of title to the Property being purchased; or a title insurance Policy should be obtained. Notice to that effect is, therefore, hereby given to Purchaser.

**21. NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES.**

Seller notifies Purchaser under Section 5.010, Texas Property Code, as follows: If for the current ad valorem tax year, the taxable value of the land that is the subject of this contract is determined by a special appraisal method that allows for appraisal of the land at less than its market value, the person to whom the land is transferred may not be allowed to qualify the land for that special appraisal in a subsequent tax year and the land may then be appraised at its full market value. In addition, the transfer of the land or a subsequent change in the use of the land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change.

**22. TIME OF THE ESSENCE.**

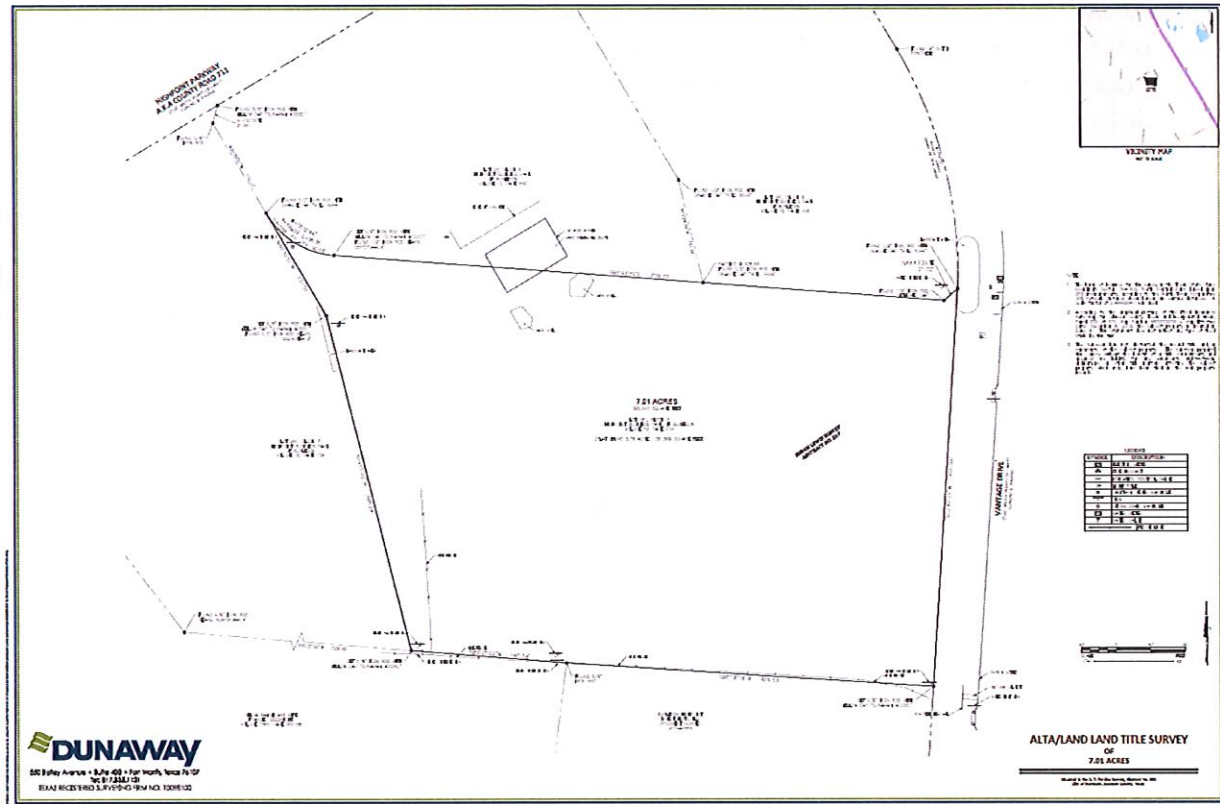
Time is of the essence in this Contract of Sale.

**[SIGNATURE PAGES TO FOLLOW]**

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

# EXHIBIT A

## Map of Site



**EXHIBIT B**

LEGAL DESCRIPTION OF PROPERTY

Being a 7.01 acre tract of land situated in the Hiram Lewis Survey, Abstract Number 517, Johnson County, Texas, in the City of Burleson, being all of Lot 1R1, Block 7, Highpoint Business Park of Burleson, according to the plat recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas.



EXHIBIT CFORM OF SPECIAL WARRANTY DEED

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

SPECIAL WARRANTY DEED

THE STATE OF TEXAS           §  
  §  
COUNTY OF JOHNSON       §

The Burseson 4A Economic Development Corporation, a nonprofit corporation organized under Title 12, Subtitle C1 of Title 12 of the Texas Local Government Code (Chapters 501 through 505) ("**Grantor**"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to Grantor paid by 1451, LLC, a Texas limited liability company ("**Grantee**"), the receipt and sufficiency of which are hereby acknowledged, and subject to the reservations described below, has GRANTED, BARGAINED, SOLD, and CONVEYED and by these presents does GRANT, BARGAIN, SELL, and CONVEY unto Grantee the real property located in Johnson County, Texas, described on EXHIBIT A, attached hereto, together with Grantor's rights, title, and interest in and to adjacent streets, easements, alleys, rights-of-way, and any adjacent strips or gores of real estate (the "**Land**"), together with all and singular the rights, privileges and easements appurtenant thereto, and all water, wastewater and other utility rights relating to the Property, and any and all easements, rights-of-way and other appurtenances used in connection with the beneficial use and enjoyment of the Property, in each case to the extent assignable (the "**Ancillary Rights**") (collectively, the Land and the Ancillary Rights, are the "**Property**").

This conveyance is made by Grantor and accepted by Grantee subject to the matters listed within the Economic Development Performance Agreement between the Grantor and the Grantee, and any permitted encumbrances shown on EXHIBIT B, which is incorporated herein in its entirety.

GRANTEE IS RELYING ON GRANTEE'S OWN DUE DILIGENCE INVESTIGATION IN MAKING ITS DECISION TO PURCHASE THE PROPERTY AND HAS NOT RELIED ON ANY REPRESENTATIONS OR WARRANTIES OF GRANTOR OR ANYONE ACTING ON BEHALF OF GRANTOR, EXCEPT FOR THE WARRANTY OF TITLE SET FORTH IN THIS DEED AND THE REPRESENTATIONS AND WARRANTIES OF GRANTOR EXPRESSLY SET FORTH IN THAT CERTAIN REAL



ESTATE PURCHASE AGREEMENT DATED \_\_\_\_\_, BY AND BETWEEN GRANTOR, AS SELLER, AND GRANTEE, AS PURCHASER (THE "PURCHASE AGREEMENT"). EXCEPT AS SET FORTH IN THIS DEED AND IN THE PURCHASE AGREEMENT, THE PROPERTY IS BEING SOLD "AS IS" AND WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Right to Repurchase. Grantor and Grantee's affiliate KMP Plumbing, LLC ("**KMP**") have entered into an Economic Development and Performance Agreement executed to be effective on February 27<sup>th</sup> 2025 (the "**Economic Development Agreement**"), which is incorporated herein by reference and which also includes performance obligations of the KMP and required plans for the "**Project**", as that term is defined in the Economic Development Agreement. Pursuant to the Economic Development Agreement, KMP shall pour a building foundation acceptable to the City of Burleson building official on or before February 28, 2026, subject to extension as provided therein. If KMP fails to pour a building foundation acceptable to the City of Burleson building official on or before February 28, 2026, as such date may be extended, and notice of KMP's failure is not cured within ninety (90) days of being notified by the Grantor, then Grantor shall have the right, but not the duty, to repurchase the Property for the Purchase Price (as that term is defined in the Purchase Agreement).

All taxes and other assessments assessed against the Property for the year 2025 have been prorated or otherwise settled between the parties, and Grantee assumes and agrees to pay such taxes and assessments in full. If this Special Warranty Deed or Grantee's use of the Property after the date hereof results in additional taxes or assessments for periods before the date hereof, such taxes and assessments shall be the obligation of and paid by Grantor, except where exempt, provided however, under no circumstances shall Grantee have any obligation for the payment of such taxes or related interest and penalties.

TO HAVE AND TO HOLD the Property, subject to the matters set forth above, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, its successors and assigns forever; and Grantor does hereby bind Grantor and Grantor's successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Property unto Grantee, its 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.

[SIGNATURE PAGES TO FOLLOW]



EXECUTED to be effective the \_\_\_\_ day of \_\_\_\_\_.

**GRANTOR:**

**BURLESON 4A ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code

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

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

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

THE STATE OF TEXAS           §  
  §  
COUNTY OF JOHNSON       §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of the Burleson 4A Economic Development Corporation, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

[SEAL]

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Printed/Typed Name of Notary  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A – to form of special warranty deed****LEGAL DESCRIPTION**

Being a 7.01 acre tract of land situated in the Hiram Lewis Survey, Abstract Number 517, Johnson County, Texas, in the City of Burleson, being all of Lot 1R1, Block 7, Highpoint Business Park of Burleson, according to the plat recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas.

EXHIBIT B – to form of special warranty deed

PERMITTED ENCUMBRANCES

1845513-v2/17612-003000



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## Economic Development Corporation (Type A)

**DEPARTMENT:** Economic Development  
**FROM:** Alex Philips, Economic Development Director  
**MEETING:** March 24, 2025

---

**SUBJECT:**

Consider approval of a Performance Agreement between the Burleson 4A Economic Development Corporation and KMP Plumbing, LLC., Inc. for a 20,000 square foot service center and corporate headquarters facility located on Vantage Drive in Highpoint Business Park in Burleson, Texas. (*Staff Presenter: Alex Philips, Economic Development Director*)

**SUMMARY:**

KMP Plumbing, LLC is a family owned business specializing in residential and commercial plumbing and heating & air. They have been established in Mansfield, Texas since 1985. Their goal is to provide outstanding customer service from the first contact to the completion of the job.

KMP Plumbing is growing and they are needing more space for the future. They are proposing to purchase a 7-acre tract from the Burleson 4A Economic Development Corporation for \$1,200,000 for the development of the service center and corporate headquarters. The development would consist of a 20,000 square foot facility with a \$6 million-dollar capital investment. The company currently employs 73 full time employees and produces approximately \$120,000 a year in sales tax. KMP Plumbing has requested an incentive package to aid in their relocation to Highpoint Business Park.

In order to receive the proposed incentives, KMP Plumbing, LLC will be required to adhere to the following conditions:

- Design and construct the Development in substantial conformance with the criteria and development standards set forth in the ordinances of the City of Burleson and applicable state and federal laws.
- Operate the Development in substantial conformance with the criteria and development standards set forth in the ordinances of the City of Burleson and applicable state and federal laws.
- KMP Plumbing, LLC to close on the property by May 31, 2025.

- KMP Plumbing, LLC, Inc to submit the building and civil plans for the development by June 30, 2025.
- KMP Plumbing, LLC, Inc to commence construction by October 31, 2025.
- KMP Plumbing, LLC shall pour a building foundation acceptable to the City's building official on or before February 28, 2026.
- KMP Plumbing, LLC, to complete the construction of the facility with a capital investment of at least \$6 million dollars by October 31, 2026.
- The Company shall operate the Facility as a plumbing, heating, and air business and distributor and maintain the Facility as its sole corporate headquarters for at least five (5) years after the issuance of a Certificate of Occupancy for the Facility
- Within forty-five (45) days of the issuance of a Certificate of Occupancy for the Facility, the Company shall have at least seventy (70) FTEs at the Facility, and no later than the expiration of the Term, the Company shall have at least thirty (30) or more FTEs for a total of one hundred (100) FTEs

As performance measures are met, KMP Plumbing, LLC would receive the following incentives:

- Upon the Company's receipt of the building permit for the Facility, EDC shall provide the Company with a cash grant of Four Hundred Thousand Dollars (\$400,000).
- Upon the City's completion of the inspection and approval of the foundation for the Facility, EDC shall provide the Company with a cash grant of Four Hundred Thousand Dollars (\$400,000).
- Upon the Company's receipt of the Certificate of Occupancy for the Facility, EDC shall provide the Company with a cash grant of Four Hundred Thousand Dollars (\$400,000).
- Upon the Company's full payment of all applicable fees imposed by the City related to the construction of the Improvements, EDC shall provide the Company with a cash grant to reimburse up to One Hundred Thousand Dollars (\$100,000) of such fees, not including impact fees.
- Upon the Company providing written proof that it has hired the additional 30 FTE's requirement set forth in Section 4.01(H), the EDC shall provide the Company with a cash grant of Two Hundred Thousand Dollars (\$200,000).

**OPTIONS:**

- 1) Approve as presented
- 2) Deny

**RECOMMENDATION:**

Staff recommends approving the Performance Agreement.

**PRIOR ACTION/INPUT (Council, Boards, Citizens):**

N/A

**FISCAL IMPACT:**

The incentives offered to KMP Plumbing, LLC (\$1,500,000) will be budgeted over a period of 5 years out of the Burleson 4A Economic Corporation planned incentives.

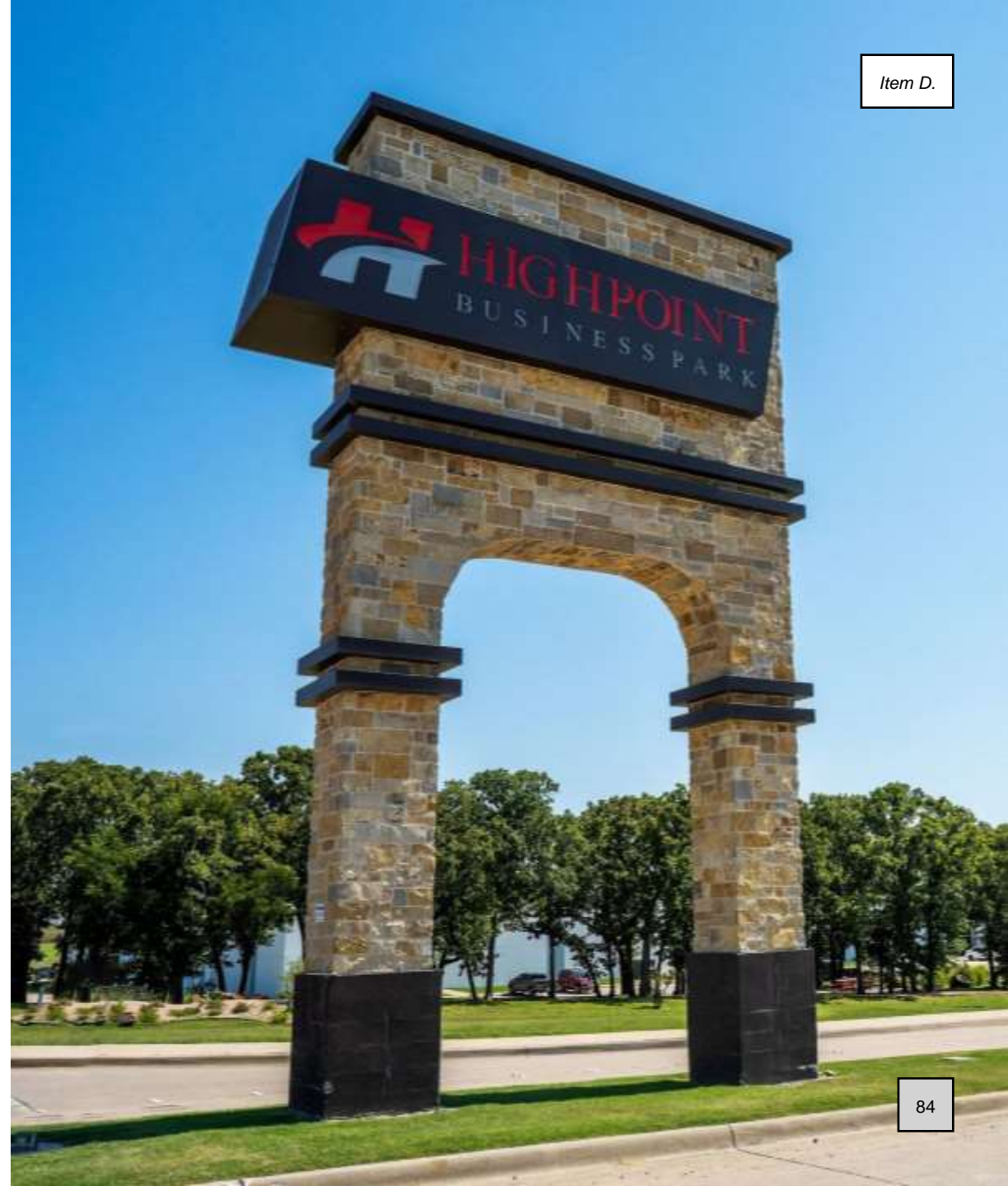
**STAFF CONTACT:**

Alex Philips  
Economic Development Director  
[aphilips@burlesontx.com](mailto:aphilips@burlesontx.com)  
817-426-9613

# Project Mario Bros

Burleson 4A & City Council Session  
3/24/25

Item D.





# Project Mario Bros Details

- Plumbing, Heating & Air Corporate Office and service company located in Mansfield and servicing residential, commercial and industrial projects.
- Family owned and Operated since 1985
- The company currently employs 73 people, and the move and expansion would create 30 new jobs
- \$6 Million minimum total capital investment
- The company would purchase the 7-acre site in Highpoint Business Park for their new Corporate Office and Service Center.
- The Company would be expanding to offer electrical services.
- Their mission and hope is that our services have a positive impact on our community and improve the quality of living for all individuals through our commitment to character, hard work and integrity.



# Project Mario Bros Obligations

- KMP Plumbing, LLC to close on the property by May 31, 2025.
- KMP Plumbing, LLC, Inc to submit the building and civil plans for the development by June 30, 2025.
- KMP Plumbing, LLC, Inc to commence construction by October 31, 2025.
- KMP Plumbing, LLC shall pour a building foundation acceptable to the City's building official on or before February 28, 2026.
- KMP Plumbing, LLC, to complete the construction of the facility with a capital investment of at least \$6 million dollars by October 31, 2026.
- The Company shall operate the Facility as a plumbing, heating, and air business and distributor and maintain the Facility as its sole corporate headquarters for at least five (5) years after the issuance of a Certificate of Occupancy for the Facility.
- Within forty-five (45) days of the issuance of a Certificate of Occupancy for the Facility, the Company shall have at least seventy (70) FTEs at the Facility, and no later than the expiration of the Term, the Company shall have hired the additional 30 new FTE's at the facility.



# EDC Incentive Obligations

- The 4A to issue a cash grant in the amount of \$400,000 once the prospect has received the building permit for the development.
- The 4A to issue a cash grant in the amount of \$400,000 once the prospect has poured and completed city inspection of the foundations of the building.
- The 4A to issue a cash grant in the amount of \$400,000 once the developer receives the certificate of occupancy for the building.
- The 4A to reimburse any and all development fees excluding impact fees up to \$100,000 after the Certificate of Occupancy is issued.
- The 4A to issue a cash grant in the amount of \$200,000 once the developer hires an additional 30 full time employees.



**Economic  
Development**

# Project Mario Bros Summary

Item D.

	2024 Year 1	2025 Year 2	2026 Year 3	2027 Year 4	2028 Year 5	2029 Year 6	2030 Year 7	2031 Year 8	2032 Year 9	2033 Year 10
<b>CAPEX</b>	\$ 6,600,000.00	\$ 6,798,000.00	\$ 7,001,940.00	\$ 7,211,998.20	\$ 7,428,358.15	\$ 7,651,208.89	\$ 7,880,745.16	\$ 8,117,167.51	\$ 8,360,682.54	\$ 8,611,503.01
<b>Appraised Value (70% of CAPEX)</b>	\$ 4,620,000.00	\$ 4,758,600.00	\$ 4,901,358.00	\$ 5,048,398.74	\$ 5,199,850.70	\$ 5,355,846.22	\$ 5,516,521.61	\$ 5,682,017.26	\$ 5,852,477.78	\$ 6,028,052.11
<b>Revenue</b>										
	\$ 1,200,000.00									
Sales Tax	\$ 120,000.00	\$ 123,600.00	\$ 127,308.00	\$ 131,127.24	\$ 135,061.06	\$ 139,112.89	\$ 143,286.28	\$ 147,584.86	\$ 152,012.41	\$ 156,572.78
Property Tax	\$ 33,264.00	\$ 34,261.92	\$ 35,289.78	\$ 36,348.47	\$ 37,438.93	\$ 38,562.09	\$ 39,718.96	\$ 40,910.52	\$ 42,137.84	\$ 43,401.98
<b>Expenses</b>										
Sales Rebate										
Site Improvements										
Demo & Env.										
	\$ (400,000.00)	\$ (400,000.00)	\$ (400,000.00)	\$ (100,000.00)	\$ (200,000.00)					
<b>Annual</b>	\$ 953,264.00	\$ (242,138.08)	\$ (237,402.22)	\$ 67,475.71	\$ (27,500.02)	\$ 177,674.98	\$ 183,005.23	\$ 188,495.39	\$ 194,150.25	\$ 199,974.76
<b>Cumulative</b>		\$ 711,125.92	\$ 473,723.70	\$ 541,199.41	\$ 513,699.39	\$ 691,374.37	\$ 874,379.60	\$ 1,062,874.99	\$ 1,257,025.24	\$ 1,457,000.00

<b>10yr ROI</b>	<b>97%</b>
<b>20yr ROI</b>	<b>255%</b>

# Recommendation

- **Approve the Performance Agreement with KMP Plumbing, LLC to develop a new service center and corporate headquarters at Highpoint Business Park.**
- Deny the Performance Agreement with KMP Plumbing, LLC.
- **Approve the resolution authorizing the land sale contract**
- Deny the resolution
- Questions?



**ECONOMIC DEVELOPMENT AND PERFORMANCE AGREEMENT**

This Economic Development and Performance Agreement (this "Agreement") is entered into as of 2-27-25 (the "Effective Date") by and between The Burleson 4A Economic Development Corporation ("EDC"), a Texas municipal development corporation, and KMP Plumbing, LLC, a Texas limited liability company (the "Company").

**RECITALS**

WHEREAS, EDC is created pursuant to the Development Corporation Act of 1979, as amended, codified as Subtitle C1 of Title 12 of the Texas Local Government Code (the "Act");

WHEREAS, the Company intends to enter into a real estate purchase agreement (the "Land Purchase Agreement"), under which the Company would acquire the Land;

WHEREAS, the Company currently employs seventy-three (73) people and intends to add thirty (30) new employees;

WHEREAS, the Company contemplates establishing the Facility on the Land, consisting of the Improvements and the Equipment, as the same may exist from time to time and relocating its existing plumbing, heating, and air business to the Facility;

WHEREAS, the Company seeks to acquire the Land and proposes to construct and operate the Facility on the Land for the Project;

WHEREAS, EDC has determined that the Project will create primary jobs, as defined in Section 501.002(12) of the Act, and that EDC's expenditures under this Agreement are appropriate and necessary for the development of a new industrial enterprise, falling within the meaning of a "project" as set forth in Section 501.101 of the Act;

WHEREAS, EDC has determined that the Project will bring substantial economic benefits and create new employment opportunities for the City, and therefore desires for the Company to construct the Improvements and operate the Project within the City;

WHEREAS, the Project is expected to increase the taxable value within the City, and is anticipated to directly and indirectly contribute to the creation of additional jobs throughout the City;

WHEREAS, the value of the anticipated benefits of the Project is expected to exceed the expenditures required of EDC under this Agreement;



WHEREAS, EDC represents that the Land is not owned or leased by any member of the EDC, Burleson City Council, or any member of the City Planning and Zoning Commission; and

WHEREAS, to induce the Project within the City, EDC desires to provide certain incentives, as set forth herein, to promote economic development and encourage the Company to potentially locate and operate the Project in the City.

NOW, THEREFORE, in consideration of the recitals above and the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties therefore agree as follows:

### **ARTICLE 1. DEFINITIONS**

"Act" has the meaning set forth in the recitals.

"Act of Default" has the meaning set forth in Section 7.01.

"Affiliate" means an entity that directly controls, is directly controlled by, or is under common control with the Company, including, but not limited to 1451, LLC, a Texas limited liability company.

"Agreement" has the meaning set forth in the preamble.

"Capital Investment" means and shall include all costs incurred by the Company relating to the construction of the Improvements, including the actual construction costs, delivery, installation and other costs of all buildings, structures, infrastructure, fixed machinery and equipment, utilities, landscaping and other onsite and offsite improvements, including, without limitation all labor and materials costs, engineering costs, surveying costs, fees of legal and non-legal consultants, designers and other professionals, technical analysis fees, landscape design fees, platting fees, geotechnical investigation fees, and construction material testing fees. The term Capital Investment shall not include costs for financing the construction or marketing of the Land and Improvements.

"Certificate of Occupancy" means the document issued by the City certifying the Facility is in compliance with applicable building codes and other laws and indicating it to be a condition suitable for occupying.

"City" means the City of Burleson, a Texas municipal corporation of the Counties of Johnson and Tarrant, State of Texas.

"Company" has the meaning set forth in the preamble.

"Default Notice" has the meaning set forth in Section 7.01.

"EDC" has the meaning set forth in the preamble.



"EDC Incentive" and "EDC Incentives" have the meaning set forth in Section 5.01.

"Effective Date" has the meaning set forth in the preamble.

"Equipment" means all trade fixtures, machinery, equipment, furniture, furnishing and other tangible or personal property located on the Land and used, directly or indirectly, in connection with the operation of the Facility.

"Facility" means a corporate headquarters and warehouse facility comprised of at least 20,000 square feet constructed on the Land and substantially meeting the specifications and depictions set forth in Exhibit A.

"FTE" means either an employee working a schedule of forty (40) or more hours per week, or a combination of two (2) or more part-time employees whose total weekly hours equal at least forty (40) hours.

"Impositions" mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company or any property or any business owned by the Company within the City.

"Improvements" mean the development of and the acquisition, construction and installation of buildings, structures, fixture, improvements, and alterations or any other tangible property at any time in the future constructed or placed on the Land for the Project to include the Facility.

"Land" means the real property consisting of approximately seven (7) acres and located in the HighPoint Business Park in the City, as further described in Exhibit B.

"Land Purchase Agreement" means that document attached hereto as Exhibit C setting forth the rights and obligations of the Company and the EDC with regard to the sale of the Land to 1451, LLC, an Affiliate of Company.

"Project" means the construction of a 20,000 square foot corporate headquarters and warehouse facility to be operated by the Company as a plumbing, heating, and air business on the Land.

"Qualified FTE" means either an employee working a schedule of forty (40) or more hours per week, or a combination of two (2) or more part-time employees whose total weekly hours equal at least forty (40) hours in the 551 - Management of Companies and Enterprises sector, as defined by the North American Industry Classification System (NAICS) and shall include (i) "covered employees" hired through "professional employer services" (as each such a term is defined in Texas Labor Code § 91.001); (ii) "common workers" hired through a "temporary common worker employer" (as each such a term is defined in Texas Labor Code § 92.002); and (iii) "temporary employees" hired through

"temporary employment services" (as each such a term is defined in Texas Labor Code § 93.001).

"Term" has the meaning set forth in Section 3.01.

## **ARTICLE 2. AUTHORIZATION**

2.01 EDC finds and determines that this Agreement is authorized and governed by the Act.

## **ARTICLE 3. TERM**

3.01 The term of this Agreement (the "Term") shall commence on the Effective Date and terminate on the five (5) year anniversary of the issuance of a Certificate of Occupancy.

## **ARTICLE 4. COVENANTS OF THE COMPANY**

4.01 Covenants Regarding Development and Operations. In consideration of this Agreement, the Company agrees to the following covenants:

- (A) The Company shall execute the Land Purchase Agreement no later than February 28, 2025;
- (B) The Company shall submit the building and civil plans for the Facility on or before June 30, 2025;
- (C) The Company shall commence the construction of the Facility on or before October 31, 2025;
- (D) The Company shall pour a building foundation acceptable to the City's building official on or before February 28, 2026;
- (E) The Company shall obtain the Certificate of Occupancy for the Facility on or before October 31, 2026 with a Capital Investment for the construction and installation of the Facility in the amount of at least Six Million Dollars (\$6,000,000);
- (F) The Company shall design and construct the Improvements in conformance with the criteria and development standards set forth in this Agreement and the ordinances of the City, as well as applicable federal and state laws;
- (G) The Company shall operate the Facility as a plumbing, heating, and air business and distributor and maintain the Facility as its sole corporate

headquarters for at least five (5) years after the issuance of a Certificate of Occupancy for the Facility;

- (H) Within forty-five (45) days of the issuance of a Certificate of Occupancy for the Facility, the Company shall have at least seventy (70) FTEs at the Facility, and no later than the expiration of the Term, the Company shall have at least thirty (30) or more FTEs for a total of one hundred (100) FTEs;
- (I) The Company shall be responsible for the construction of the Improvements and the maintenance of the Improvements and the Land;
- (J) The Company shall be solely responsible for the design and construction of the Improvements and comply with all subdivision regulations, building codes, and other ordinances of the City applicable to the Improvements; and
- (K) The Company shall remain current on all Impositions, provided that it retains the right to appeal any such Impositions in accordance with applicable law and shall have the right to cure any delinquency within the legally permissible time frame.

4.02 Verification of Capital Investment. Within thirty (30) days following the receipt of a Certificate of Occupancy for the Facility, the Company shall provide written verification to EDC for the Facility that the Capital Investment made by the Company for the Facility satisfied the requirements set forth in Section 4.01(E).

4.03 Land Purchase Agreement Extension. EDC and the Company hereby acknowledge that Section 11.A. of the Land Purchase Agreement provides both Parties the option to postpone the closing of the Land Purchase Agreement, provided that such postponement shall not be more than thirty (30) days, absent written agreement by the Parties. Accordingly, the Parties hereby agree that upon such postponement, all dates set forth in this Article 4 which occur after the closing of the Land Purchase Agreement shall be automatically extended by the same number of days the closing is postponed under the Land Purchase Agreement.

**ARTICLE 5.  
INCENTIVES PROVIDED BY THE EDC TO THE COMPANY**

5.01 Subject to and contingent upon the Company's compliance with its covenants set forth in Article 4, EDC shall provide the Company with certain cash incentives by depositing the funds into the Company's designated bank account, according to the schedule set forth below (each such cash incentive, "EDC Incentive," and, collectively, the "EDC Incentives"):

- (A) Upon the Company's receipt of the building permit for the Facility, EDC shall provide the Company with a cash grant of Four Hundred Thousand Dollars (\$400,000);

- (B) Upon the City's completion of the inspection and approval of the foundation for the Facility, EDC shall provide the Company with a cash grant of Four Hundred Thousand Dollars (\$400,000);
- (C) Upon the Company's receipt of the Certificate of Occupancy for the Facility, EDC shall provide the Company with a cash grant of Four Hundred Thousand Dollars (\$400,000);
- (D) Upon the Company's full payment of all applicable fees imposed by the City related to the construction of the Improvements, EDC shall provide the Company with a cash grant to reimburse up to One Hundred Thousand Dollars (\$100,000) of such fees, not including impact fees; and
- (E) Upon the Company providing written proof that it is in compliance with the employment requirement set forth in Section 4.01(H), the EDC shall provide the Company with a cash grant of Two Hundred Thousand Dollars (\$200,000).

**ARTICLE 6.**  
**REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

- 6.01 The Company hereby represents and warrants to EDC that it has full lawful right, power, and authority to execute and deliver and perform the terms and obligations of this Agreement, that the execution and delivery of this Agreement has been duly authorized by all necessary action by the Company and that this Agreement constitutes the legal, valid, and binding obligation of the Company, and is enforceable in accordance with its terms and provisions.
- 6.02 The Company shall comply with all applicable federal, state, and local laws in connection with the establishment and operations of the Project.
- 6.03 During the Term, the Company does not and will not knowingly employ any unauthorized alien (as such a term is defined in 8 U.S.C. Section 1324a(f)) at the Project. If, during the Term, the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), provided all appeals have been exhausted, the Company shall repay the amount of the total amount of the EDC Incentives it received under this Agreement during the period for which it is convicted of such violation within one hundred twenty (120) business days after the date EDC notifies the Company of such conviction, plus interest at the rate that is equal to the interest rate of the bonded indebtedness of EDC issued immediately prior to such a conviction, or, if no such bonded indebtedness exists, at a rate equal to the then-prevailing market rate for municipal obligations in the State of Texas as determined by an independent financial advisor selected by the parties.



**ARTICLE 7.  
DEFAULT AND REMEDIES**

7.01 Default by the Company.

- (A) In the event (i) the Company fails to fulfill its obligations under Article 4 of this Agreement; (ii) the Company has delinquent Impositions owed to the City (subject to the Company’s timely protest and/or contest against any such taxes); or (iii) the Company materially breaches any of the material terms and conditions of this Agreement, then the Company after the expiration of the notice and cure periods described herein, shall be in default of this Agreement. In such an event, EDC shall give the Company written notice of such breach and/or default (the “Default Notice”), specifying with particularity the nature of any breach or default (each, an “Act of Default”). If the Company does not cure such Act of Default within ninety (90) days after receipt of the Default Notice, in addition to other sanctions and remedies for Act of Default set forth in this Article 7, EDC may terminate this Agreement by a thirty (30) days’ advance written notice to the Company, and EDC shall have no further obligation to the Company under this Agreement. Notwithstanding the above, if such Act of Default cannot be cured by reasonably diligent efforts within ninety (90) days of the Default Notice, then the Company shall have an additional ninety (90) days to cure such Act of Default so long as the Company promptly initiates and diligently and continuously attempts to cure the same.
- (B) In the event the Company is in violation of its covenant in Section 4.01(C), (D), or (E), beyond the expiration of any applicable notice and cure period, except in the case of force majeure, the Company shall repay all EDC Incentives disbursed up to that date within thirty (30) days of the violation, and EDC may terminate this Agreement at its discretion.

7.02 No waiver of any breach of any terms or conditions of this Agreement by the Company or the EDC shall be construed to waive any subsequent breach of the same or any other terms or conditions of this Agreement.

**ARTICLE 8.  
VENUE AND GOVERNING LAW**

8.01 This Agreement is fully performable in Johnson County, Texas and venue of any action arising out of this Agreement shall be exclusively in Johnson County, Texas. To the extent permitted by law, the substantive laws of the State of Texas shall apply without regard to applicable principles of conflicts of law, and the parties submit to the jurisdiction of the state courts in Johnson County, Texas.

**ARTICLE 9.  
FORCE MAJEURE**

- 9.01 In no event shall the Company be responsible for or liable for any failure or delay in performance of its obligations under this Agreement arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, acts of God, unusually adverse weather or soil conditions, fires, earthquake, tornado, hurricane, floods or other types of natural catastrophes, explosions, accidents, condemnation, strike, slowdowns or work stoppages, lockout, civil or military disorder or disturbances, act of war or terrorism or threat thereof, riot, insurrection, civil commotion, epidemic, pandemic, quarantine, generalized lack of availability of raw materials or energy, and loss or malfunction of utilities or communication services; shortage or delay in shipment of materials or fuel occasioned by any event referenced herein; it being understood that the Company shall use commercially reasonable efforts to resume performance as soon as practicable under the circumstances.



**ARTICLE 10.**

**GIFT TO PUBLIC SERVANT OR TO THE COMPANY'S REPRESENTATIVE**

- 10.01 No Benefit. Each party represents to the other that it has not offered, conferred, or agreed to confer and that it will not offer, confer, or agree to confer in the future any benefit upon any employee, director or official of the other party. For purposes of this Section 10.01, "benefit" means anything reasonably regarded as economic advantage, including advantage conferred on a person in whose welfare the beneficiary has an interest, but does not include a contribution or expenditure made and reported in accordance with law.
- 10.02 Right of Reimbursement. In addition to any other legal remedies available to EDC, EDC reserves the right to seek reimbursement for any expenditure made to the Company as a result of the Company's violation of Section 10.01 upon the Company's conviction of such violation by a court of last resort, provided, however, that any such reimbursement shall be proportionate to the amount directly attributable to the improper benefit in relation to the overall benefits received by the Company under this Agreement.

**ARTICLE 11.**

**INDEMNIFICATION**

- 11.01 **THE COMPANY EXPRESSLY AGREES TO FULLY AND COMPLETELY DEFEND, INDEMNIFY, AND HOLD HARMLESS EDC, AND ITS OFFICERS, AND EMPLOYEES, AGAINST ANY AND ALL CLAIMS, LAWSUITS, LIABILITIES, JUDGMENTS, COSTS, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH) OR PROPERTY DAMAGE SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY ANY NEGLIGENT, GROSSLY NEGLIGENT, WRONGFUL, OR STRICTLY LIABLE ACT OR OMISSION OF THE COMPANY OR ITS AGENTS, OR EMPLOYEES, ARISING IN THE PERFORMANCE OF ITS OBLIGATIONS UNDER SECTION 4.01 OF THIS AGREEMENT. NOTHING CONTAINED HEREIN SHALL REQUIRE THE COMPANY TO INDEMNIFY EDC OR THE OFFICERS, DIRECTORS, AGENTS, EMPLOYEES AND ATTORNEYS OF EDC FOR ANY CLAIM OR LIABILITY RESULTING FROM EDC'S OR ANY SUCH OFFICER, DIRECTOR, AGENT, EMPLOYEE OR ATTORNEY FOR ITS OWN WILLFUL MISCONDUCT OR GROSS NEGLIGENCE.** It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties. The City and EDC (including its past, present and future officers, elected officials, directors, employees and agents of EDC and the City) do not assume any responsibility to any third party in connection with Company's construction of the development.
- 11.02 Nothing in this Agreement may be construed as waiving any governmental immunity available to EDC under the state law.

11.03 It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the parties. EDC, its past, present and future officers, elected officials, directors, employees and agents do not assume any responsibility to any third party in connection with the Company's construction of the Improvements.

**ARTICLE 12.  
ROUGH PROPORTIONALITY**

12.01 The Company acknowledges and agrees that all prerequisites to such a determination of rough proportionality have been met, and that any costs incurred relative to said donation and dedication, including the platting process of the Land, which may require the Company to dedicate certain easements, are related both in nature and extent to the impact of the Improvements. The Company waives and releases all claims against EDC related to any and all rough proportionality and individual determination requirements mandated by Subchapter Z of Chapter 212, Texas Local Government Code, as well as other requirements of a nexus between development conditions and the projected impact of the Improvements.

**ARTICLE 13.  
MISCELLANEOUS MATTERS**

13.01 Time is of Essence. Time is of the essence in this Agreement. The parties hereto will make commercially reasonable efforts to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued mutual cooperation.

13.02 Governing Law. This Agreement is subject to and in accordance with the Burleson Home Rule Charter and ordinances of the City, as amended, and all state and federal laws.

13.03 Interpretation. Each party acknowledges that it has been represented by counsel of its own choosing in the negotiation and preparation of this Agreement. In the event of any dispute regarding the interpretation of this Agreement, the terms will be interpreted in a fair and reasonable manner, without any presumption or rule of construction being applied in favor of or against any party based on the drafting of this Agreement.

13.04 Counterparts Deemed Original. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

13.05 Attorney's Fees. If any legal action or proceeding is commenced between EDC and the Company to enforce the provisions of this Agreement or to recover damages for its breach, the prevailing party in the legal action will be entitled to

recover its reasonable attorney's fees and expenses incurred by reason of such action, to the extent allowed by law.

13.06 Sections or Other Headings. The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.

13.07 Entire Agreement. This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached and made a part of this Agreement.

13.08 Notice. Any request, demand, authorization, direction, notice, consent or other document provided or permitted by this Agreement to be made upon, given, furnished, served, or filed with a party hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be (i) delivered personally, with a receipt requested therefore; (ii) sent by a nationally recognized overnight courier service; (iii) delivered by United States certified mail, return receipt requested, postage prepaid; or (iv) transmitted by electric mail (provided that a copy of such transmittal is also delivered in accordance with (i), (ii) or (iii) herein). All notices shall be addressed to the respective party at its address or email address set forth below, and shall be effective (a) upon receipt or refusal if delivered personally, (b) one business day after depositing with such an overnight courier service or (c) two business days after deposit in the United States mails, if mailed. Any party hereto may change its address for receipt of notices by service of a notice of such change in accordance with this Section 13.08.

**Company:** KMP Plumbing, LLC  
Attention: Rustin Mayse  
1451 Heritage Parkway  
Mansfield, Texas 76063  
Email: rustinmayse@kmpcorp.com

With a copy to: Brackett & Ellis, P.C.  
Attention: Amanda B. Hernandez  
100 Main Street  
Fort Worth, Texas 76102  
Email: ahernandez@belaw.com

**EDC:** The Burleson 4A Economic Development Corporation  
Attention: City Manager  
141 W Renfro Street  
Burleson, Texas 76028

With a copy to: Taylor, Olson, Adkins, Sralla & Elam, L.L.P.  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
(817) 332-2580

- 13.09 Amendment. This Agreement may only be amended, altered, or revoked by written instrument signed by the Company and EDC.
- 13.10 Severability. In the event any section, subsection, paragraph, subparagraph, sentence, phrase, or word of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall remain in full force and effect and shall be enforced as if the invalid, illegal, or unenforceable provision had never been included. The parties further agree that, if practicable, a valid, legal, and enforceable provision shall be substituted for the invalid, illegal, or unenforceable provision, which most closely reflects the parties' original intent.
- 13.11 Texas Government Code Verifications. The Company represents and warrants that it does not and during the duration of this Agreement will not:
- (A) do business with Iran, Sudan, or a foreign terrorist organization, as defined in Texas Government Code Chapter 2270, as amended;
  - (B) boycott Israel as that term is defined in Texas Government Code Section 808.001 and Chapter 2271, as amended;
  - (C) discriminate against a firearm entity or firearm trade association as defined in Texas Government Code Chapter 2274, as amended;
  - (D) operate as a foreign owned or controlled company in connection with a critical infrastructure project as defined in Texas Government Code Chapter 2275, as amended; or
  - (E) boycott energy companies as defined in Texas Government Code Section 809.001 and Chapter 2276, as amended.
- 13.12 Assignment. EDC Incentives and any other benefits provided to the Company under this Agreement shall vest in the Company and may not be assigned to a third party, in whole or in part, without the prior written consent or approval of EDC, which consent and approval, as applicable, shall not be unreasonably denied, withheld or delayed. If the Company sells, assigns or leases all or a portion of the Land to a third party without obtaining such approval, EDC may, upon ten (10) days' advance written notice to the Company, terminate this Agreement solely with respect to the EDC Incentive applicable to the portion of the Land sold, assigned or leased to the third party. Notwithstanding the foregoing, the Company may assign this Agreement and any benefits there under, including EDC Incentives, to



any Affiliate without EDC's prior consent, provided that such Affiliate owns and operates the Project after the assignment. The Company shall provide EDC with written notice of such assignment to an Affiliate within ten (10) days of the assignment.

- 13.13 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.
- 13.14 Ratification by the City Council Required. EDC's action to enter into this Agreement is subject to the approval of the City Council of the City. This Agreement shall not be effective until such Agreement is signed by the parties and the City Council of the City ratifies EDC's action to enter into this Agreement.

*[Signature Pages Follow]*

EXECUTED on the respective dates of acknowledgement, to be effective as of the Effective Date first set forth above.

**BURLESON 4A ECONOMIC DEVELOPMENT CORPORATION,  
a Texas municipal development corporation**

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

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

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

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

STATE OF TEXAS  
COUNTY OF JOHNSON

This instrument was acknowledged before me on \_\_\_\_\_, 2025, by \_\_\_\_\_, known personally by me to be the \_\_\_\_\_ of Burleson 4A Economic Development Corporation, on behalf of said corporation.

[Notary Seal]

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



KMP PLUMBING, LLC, A TEXAS LIMITED LIABILITY COMPANY

By: [Signature]

Name: Rustin Mayse  
Title: owner

Date: 2-27-25

STATE OF TEXAS  
COUNTY OF TARRANT

This instrument was acknowledged before me on FEBRUARY 21<sup>st</sup>, 2025 by RUSTIN MAYSE, known personally by me to be the OWNER of KMP Plumbing, LLC, a Texas limited liability company, on behalf of said company.

[Notary Seal]

[Signature]  
Notary Public, State of Texas

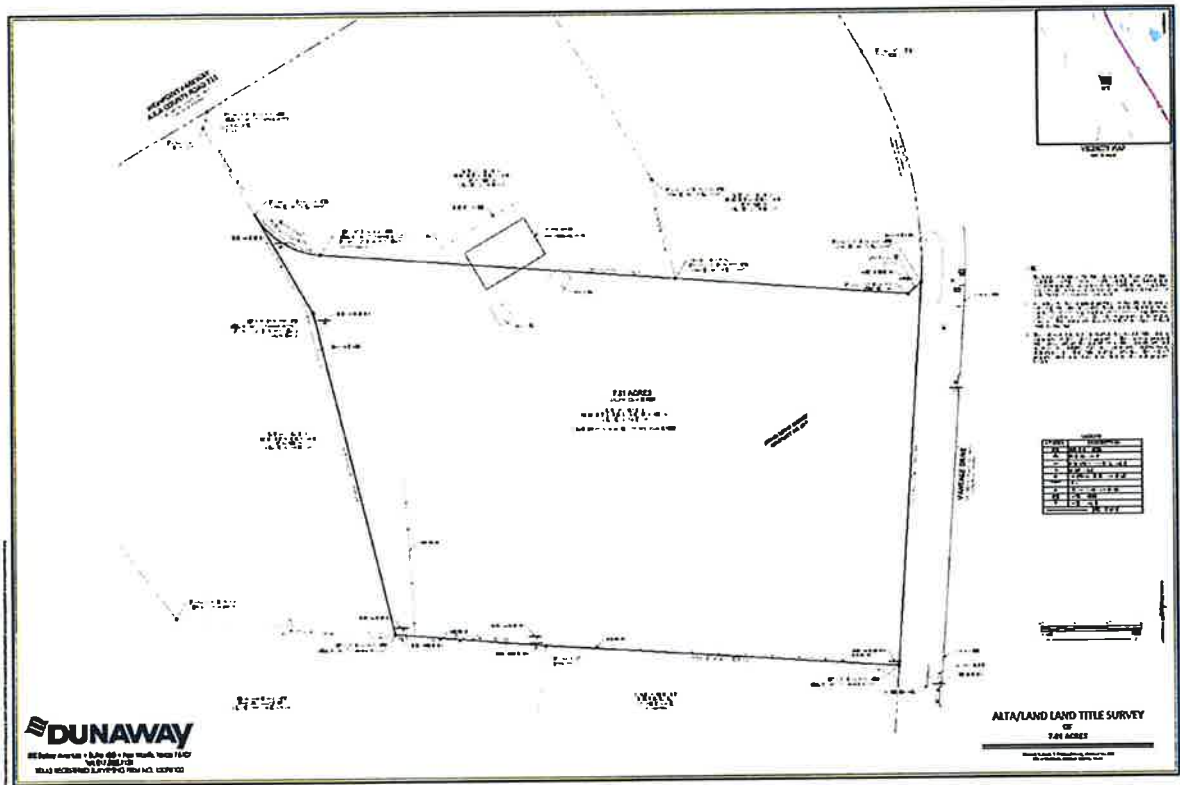


**Exhibit A**  
Project Depiction

**Exhibit B**

Legal Description of Land

Being a 7.01 acre tract of land situated in the Hiram Lewis Survey, Abstract Number 517, Johnson County, Texas, in the City of Burleson, being all of Lot 1R1, Block 7, Highpoint Business Park of Burleson, according to the Plat recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas.



[Exhibit to Economic Development and Performance Agreement]

**Exhibit C**  
**Land Purchase Agreement**

1843225-v1/17612-003000

## REAL ESTATE PURCHASE AGREEMENT

### 1. CONTRACT TO SELL AND PURCHASE.

The Burleson 4A Economic Development Corporation, a Texas municipal development corporation organized under the laws of the State of Texas (hereinafter "Seller"), hereby agrees to sell and convey to 1451, LLC, a Texas limited liability company (hereinafter "Purchaser"), individually a "Party," and collectively "Parties," fee simple absolute title to the following real property:

Being a 7.01 acre tract of land situated in the Hiram Lewis Survey, Abstract Number 517, Johnson County, Texas, in the City of Burleson, being all of Lot 1R1, Block 7, Highpoint Business Park of Burleson, according to the Plat recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas.

hereinafter the "Land," on the terms and conditions provided in this Real Estate Contract of Sale (the "Contract"), and Purchaser hereby agrees to purchase and pay for said Property on the terms and conditions provided herein.

### 2. PROPERTY TO BE CONVEYED.

The Land to be conveyed is generally shown on the attached preliminary survey Exhibit A and is more particularly described on the legal description attached hereto as Exhibit B, together with Grantor's rights, title, and interest in and to adjacent streets, easements, alleys, rights-of-way, and any adjacent strips or gores of real estate, together with all and singular the rights, privileges and easements appurtenant thereto, and all water, wastewater and other utility rights relating to the Property, and any and all easements, rights-of-way and other appurtenances used in connection with the beneficial use and enjoyment of the Property, in each case to the extent assignable (the "Ancillary Rights") (collectively, the Land and the Ancillary Rights, are the "Property").

Seller and Purchaser acknowledge that the description of the Property contained in Exhibit A of this Contract may be technically and legally insufficient for purposes of supporting an action for specific performance or other enforcement hereof. Seller and Purchaser confirm to one another that, notwithstanding such insufficiency, they desire to proceed to create this Contract and anticipate that Purchaser will obtain a Survey of the Property pursuant to this Contract. Therefore, since the parties are desirous of executing this Contract and further desire to provide certain rights to demand and successfully enforce performance, and to ensure that such rights are not precluded due to the legal description of the Property contained in Exhibit A, Seller and Purchaser agree that (a) they are experienced in transactions of the nature provided for in this

Contract; (b) in fact, they specifically are familiar with the location of the Property that is the subject of this Contract; and (c) upon completion of, and mutual approval of, the Survey, the new legal description of the Property contained therein shall automatically be substituted for the legal description attached as **Exhibit A** to this Contract and shall also be the legal description used in the special warranty deed conveying the Property. Upon completion and approval of the Survey and as a condition to closing, Seller shall file an amendment to the plat of the Property recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas, to correct the acreage and description of the Property.

### **3. CONSIDERATION.**

The consideration for the purchase of the Property is One Million, Two Hundred Thousand Dollars and no cents (\$1,200,000.00) (the "Purchase Price") payable in cash at closing. In addition, the Parties contemplate that KMP Plumbing, LLC ("KMP") which is a parent or affiliate company of Purchaser, and the Seller entering into an Economic Development and Performance Agreement, described in Section 14.

### **4. EARNEST MONEY.**

Within two (2) business days after the Effective Date of this Contract, as defined in Section 15.A, Purchaser shall deliver the sum of Fifty Thousand Dollars and no cents (\$50,000.00) to Truly Title of Burleson, 101 NW Ellison Street, Unit 105, Burleson, Texas 76028 ("the Title Company") to be held by the Title Company as Earnest Money (herein so called) pursuant to the terms of this Contract.

### **5. SURVEY AND TITLE BINDER.**

A. Purchaser may, at Purchaser's option, obtain a survey of the Property, to be prepared by a Registered Professional Engineer or Surveyor. Seller shall reasonably cooperate with Purchaser and such Professional Engineer or Surveyor by permitting access to the Property, and by providing any copies of previous surveys, maps, plats, deeds, and other documents in Purchaser's possession affecting or bearing upon the Property, but provision of such documents shall in no way constitute any warranty, representation, or contractual commitment by Seller.

B. Within ten (10) days after the Effective Date of this Contract, Seller shall provide to Purchaser, at Seller's expense:

(1) A title commitment ("Title Binder") covering the Property, binding the Title Company to issue a Texas Owner's Policy of Title Insurance on the standard form of policy prescribed by the Texas State Board of Insurance at the closing in the full amount of the purchase price, and



(2) True, correct, and legible copies of any and all instruments referred to in the Title Binder as constituting encumbrances, exceptions or restrictions upon the title of Seller.

**6. FEASIBILITY PERIOD.**

A. Purchaser will have ninety calendar (90) days after the Effective Date (the "Inspection and Feasibility Period") to seek any desired re-zoning or other processes to accommodate Purchaser's development plans, and to inspect the Property and conduct inspections, studies, tests and examinations on the Property, including, without limitation: (a) core borings; (b) environmental and architectural tests and investigations; (c) physical inspections of improvements, fixtures, equipment, subsurface soils, structural members, and personal property; and (d) examination of documents relating to the condition of the Property. Purchaser and Purchaser's agents, employees, consultants and contractors will have the right of reasonable entry onto the Property during normal business hours, and upon reasonable advance notice to Seller, for purposes of conducting such inspections, studies, tests and examinations deemed necessary by Purchaser. The inspections, studies, tests and examinations will be at Purchaser's expense and risk. Prior to conducting such inspections, studies, tests, or examinations, Purchaser shall notify Seller in writing of Purchaser's intent to such inspections, studies, tests, or examinations, shall provide Seller with the name and address of any contractor retained to conduct such inspections, studies, tests, or examinations, and provide evidence of liability insurance in form and limits reasonably satisfactory to Seller issued by an insurance company licensed in the State of Texas. In the event that Purchaser elects to terminate this Contract for any reason, Purchaser agrees to repair any damage to the Property caused by Purchaser or its agents, employees, consultants or contractors in connection with Purchaser's inspections, studies, tests and examinations. **PURCHASER AGREES TO, AND DOES HEREBY, INDEMNIFY SELLER AGAINST ANY CLAIMS TO THE EXTENT SUCH CLAIMS ARISE DUE TO ANY ACTIONS BY PURCHASER OR PURCHASER'S AGENTS, EMPLOYEES, CONSULTANTS AND CONTRACTORS IN CONNECTION WITH THEIR ENTRY UPON THE PROPERTY; PROVIDED, HOWEVER, THAT SUCH INDEMNIFICATION OBLIGATIONS SHALL NOT EXTEND TO ANY CLAIM FOR LIABILITY TO THE EXTENT ARISING OUT OF ANY PRE-EXISTING CONDITIONS THAT ARE MERELY DISCOVERED BY PURCHASER AND NOT CAUSED OR EXACERBATED BY PURCHASER.**

B. As consideration for Seller agreeing to provide Purchaser the Feasibility and Inspection Period to conduct inspections, studies, tests and examinations on the Property and to seek any necessary re-zoning, within two (2) business days after the Effective Date of this Contract, Purchaser shall deliver directly to Seller the sum of One Hundred Dollars and no cents (\$100.00) (referred to herein as the "Feasibility Option Payment"). This payment is separate from the Earnest Money payment described

above. In the event Purchaser chooses not to proceed to closing, the Earnest Money payment shall be refunded by Seller.

#### **7. TITLE AND SURVEY APPROVAL PERIOD.**

Purchaser shall have twenty (20) calendar days after the receipt of an acceptable survey and Title Binder, and the instruments giving rise to the title encumbrances, exceptions or restrictions upon the Title of Seller, in which to review them and to advise Seller that Seller's Title is or is not acceptable to Purchaser. Any item to which Purchaser does not timely object will be deemed a "Permitted Exception," provided, however, that Purchaser will be deemed to have timely objected to any items the Title Company identifies as to be released upon closing if such item is not actually released. If Title exceptions exist, to which Purchaser timely objects, Seller may, at Seller's discretion, undertake to cause those exceptions to be cured and/or removed from the Title Binder within ten (10) calendar days (the "Cure Period") after such notice to Seller. In the event such exceptions to Title are not cured within the Cure Period, Purchaser may elect, as Purchaser's sole remedy, to terminate this Contract by giving written notice to Seller within ten (10) days after expiration of the Cure Period. In the event of such termination, the Earnest Money will be refunded to Purchaser, and the Parties will have no further obligation to each other. In the event that Purchaser does not terminate this Contract by giving written notice to Seller within ten (10) days after expiration of the Cure Period, Purchaser shall be deemed to have accepted the Title subject to the exceptions as are shown in the Title Commitment and Survey, and to have waived any objection to such exceptions, except for any deeds of trust, liens, security interests or other monetary encumbrances, whether or not Purchaser objects to such items in any notices to Seller.

If at any time prior to closing, the Title Company shall issue any one or more supplemental reports to the Title Binder (each, a "Supplemental Report") disclosing any additional or modified exceptions to title to the Property (a "Supplemental Defect"), Seller shall be obligated to remove or cause the removal of such Supplemental Defect(s) at or prior to closing, whether or not Purchaser affirmatively disapproves of such items in any notice to Seller, and any failure by Seller to do so shall be a default hereunder.

#### **8. SELLER'S REPRESENTATIONS.**

Seller hereby represents and warrants that the representations and warranties of Seller, set forth in Sections A through L below, are true and correct in all material respects as of the date hereof, and shall be true and correct in all material respects as of the Closing Date, as defined below in Section 11.A. All the representations and warranties shall survive the closing for a period of twelve (12) months.

A. No Actions. To Seller's actual knowledge, there are no pending or threatened lawsuits, condemnation actions or other proceedings affecting the Property.

B. No Contracts. Seller has obtained all member consents necessary in connection with Seller's execution and delivery of this Contract. There are no contracts affecting the Property that will survive the closing.

C. Condition of Property. Prior to the closing Date, Seller shall maintain the Property in the same state of repair as of the Effective Date.

D. No Adverse Claims. Seller has received no written notice alleging an adverse claim in or to the Property by any person or persons.

E. Parties in Possession. There are no other parties in possession of the Property or any portion thereof, and no Party has been granted any license, lease or other right relating to the use or possession of the Property that will survive the closing other than easements currently filed of record or that may be shown on the final plat.

F. No Violations. Seller has received no notice of, nor does Seller have any actual knowledge of, a violation of any law or governmental regulation, restrictive covenant or other requirement affecting the Property.

G. Ownership of Property. Seller is the owner of the Property, has title to the Property, and has full power and authority to enter into and perform its obligations under this Contract in accordance with its terms.

H. Authority to Bind. The individual executing this Contract on behalf of Seller is authorized to do so and, upon executing this Contract, this Contract shall be binding and enforceable upon Seller in accordance with its terms.

I. Leases; Options. There are no outstanding written or oral leases in any way affecting the Property, and no person or entity has any right with respect to all or any portion of the Property (whether by option to purchase, right of first refusal, contract, or otherwise) who may prevent or interfere with Purchaser taking title to, and exclusive possession of, all of the Property at closing, other than as set forth in easements currently filed of record.

J. No Notices. Seller has not received any notice of and, to Seller's actual knowledge, there are no (i) proposed special assessments, condemnations or changes in the roads adjacent to the Property; (ii) pending public improvements that will result in any charge being levied or assessed against, or a lien being created upon, the Property; or (iii) pending or threatened eminent domain or condemnation proceedings against or involving any portion of the Property or any adjacent parcel.

K. **Litigation.** To Seller's actual knowledge, there is no pending or threatened litigation, arbitration, administrative action or examination, claim or demand whatsoever relating to the Property, and no attachments, execution proceedings, liens, assignments or insolvency proceedings are pending or threatened against Seller of the Property or contemplated by Seller.

L. **Hazardous Materials.** Seller represents that Seller has no actual knowledge of, and has not received notice of, any inquiries or investigations by any governmental authority or third-party with respect to, the presence of hazardous materials on the Property or the migration of hazardous materials or environmental contamination on or under the Property, or any notices of the presence of such materials or contamination on or under the Property, or the violation of any laws, ordinances or regulations regarding the presence of such materials or contamination on or under the Property.

Seller shall fully disclose to Purchaser, immediately upon its occurrence, any change in facts, assumptions or circumstances of which Seller becomes aware prior to the Closing Date that may affect the representations and warranties set forth above.

## **9. PURCHASER'S REPRESENTATIONS.**

Purchaser hereby represents and warrants as follows, which representations and warranties expressly shall survive closing:

A. **Authority.** Purchaser is a resident of or legal entity registered in the State of Texas with authority to perform all of Purchaser's obligations under this Contract. 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 Purchaser. At closing, Purchaser will deliver such proof of corporate authority as Seller or the Title Company may reasonably request.

B. **Litigation.** Purchaser represents that there is, at the time Purchaser executes this Contract, no pending or threatened litigation or legal proceeding, including any proceeding under Chapters 7, 11, or 13 of the United States Bankruptcy Code, against Purchaser that might affect Purchaser's ability to perform its obligations under this Contract.

## **10. SPECIAL ASSESSMENTS.**

A. If the Property is situated within a utility district or flood control district and is subject to the provisions of Section 49.52 of the Texas Water Code, then Seller shall give to Purchaser as part of the Title Documents the required written notice. The notice must set forth the current tax rate, the current bonded indebtedness and the authorized

indebtedness of the district, and must comply with all other applicable requirements of the Texas Water Code.

B. If the Property is subject to mandatory membership in a property owner's association, Seller shall provide the name, address and telephone number of the property owner's association and shall notify Purchaser of the current annual budget of the property owners' association, the current authorized periodic fees, dues and/or assessments, and any contemplated future assessments of which Seller is aware relating to the Property.

## 11. CLOSING.

A. The closing of this Contract shall be held on June 1, 2025, at the offices of the Title Company at its address stated above; provided, however, that either Party, by written notice to the other, may postpone the date of the closing to such date as shall be designated in such notice, provided that such postponed date shall not be more than thirty (30) days after the Closing Date specified above, absent written agreement by the Parties.

B. At the closing, Seller shall deliver to Purchaser at Seller's expense: (i) a special warranty deed conveying the Property according to the legal descriptions attached hereto or as prepared by the surveyor as shown on the survey of the Property; (ii) to ensure the public purposes and performance obligations of the Economic Development and Performance Agreement are satisfied in compliance with Texas law, the special warranty deed shall include a right to repurchase to the Seller conditioned upon KMP's obligation to pour a building foundation acceptable to the City of Burleson building official on or before February 28, 2026; and (iii) exclusive possession of the Property.

C. At the closing, Purchaser shall deliver to Seller the Purchase Price in cash or certified funds, less the Earnest Money, which the Title Company shall deliver to Seller as a credit against the Purchase Price.

D. The Title Company shall issue and present to Purchaser, at Seller's expense, an Owner's Title Policy issued by the underwriter for the Title Company pursuant to the Title Binder, subject only to the permitted exceptions, insuring good and indefeasible title to the Property vested in Purchaser in the full amount of the total Purchase Price of the Property, free and clear of all liens and encumbrances, except those matters accepted or waived by Purchaser, as provided herein.

E. Seller shall bear the costs for any required tax statements and reports, the costs for preparation and filing of the special warranty deed, the Title Policy, and any required releases of liens. Purchaser shall bear the costs for the Survey. Seller and Purchaser shall bear equally the costs of any escrow fees, courier and delivery fees,



and copy and reproduction fees. Except as provided otherwise herein, Purchaser and Seller shall bear all remaining closing costs in equal shares.

F. Interest, ad valorem taxes, and any other assessments or fees for the then-current year shall be prorated at the closing, effective as of the Closing Date, provided that since Seller is a tax-exempt organization, Seller will not be required to pay any taxes at closing. Rather, the Parties shall authorize and instruct the Title Company to inform the appropriate taxing authorities of the transaction and Seller's tax-exempt status, and the Title Company shall, if appropriate, collect any prorated taxes only from Purchaser. If the closing occurs before any tax rate or assessment is fixed for the year of the closing, the apportionment of the taxes will be upon the basis of the rate for the preceding year applied to the latest assessed valuation, but any difference between actual and estimated taxes for the year of the closing will be adjusted equitably upon receipt of a written statement of the actual amount. If this sale or Purchaser's use of the Property after closing results in the assessment of additional taxes for periods prior to closing, such additional taxes shall be the obligation of Seller, except where exempt, provided, however, under no circumstances shall Purchaser have any obligation for such taxes, interest or penalties. This provision will survive the closing.

G. Foreign Person Notification. If Seller is a foreign person, as defined by the Internal Revenue Code, or if Seller fails to deliver to Purchaser or the Title Company a non-foreign affidavit pursuant to Section 1445 of the Internal Revenue Code, then Purchaser may withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the withheld proceeds to the Internal Revenue Service, together with appropriate tax forms. The required affidavit from Seller will include: (1) a statement that Seller is not a foreign person; (2) the U. S. taxpayer identification number of Seller; and (3) any other information required by Section 1445 of the Internal Revenue Code or other applicable law or regulation.

**12. TERMINATION.**

If this Contract is terminated by Purchaser as permitted herein pursuant to a right of termination granted to Purchaser by any provision of this Contract, the Parties shall have no further obligation one to the other, except as otherwise provided herein. If Purchaser elects to so terminate, and if such termination is not due to any default by Seller, if the condition of the Property was altered due to inspections, studies, tests or examinations performed by Purchaser or on Purchaser's behalf, then Purchaser must restore the Property to its original condition at Purchaser's expense, and except as otherwise provided herein.

**13. DEFAULT.**

A. If Seller shall fail to consummate this Contract for any reason, except Purchaser's default, Purchaser may enforce specific performance of this Contract or



may bring suit for damages against Seller; provided, however, that Purchaser shall not be entitled to recover any consequential damages.

B. If Purchaser shall fail to consummate this Contract for any reason, except Seller's default or the termination of this Contract pursuant to a right to terminate given herein, Seller shall have the right to have the Earnest Money paid to Seller as liquidated damages for the breach of this Contract as Seller's sole remedy.

**14. ECONOMIC DEVELOPMENT AGREEMENT.**

The development of the Property will create significant new ad valorem tax base for the City of Burleson and other taxing jurisdictions, will provide new employment opportunities, and will reduce the tax burden upon the residents of the City of Burleson. As consideration for this, the closing of this transaction is contingent upon Seller and KMP entering into an Economic Development and Performance Agreement in accordance with the Development Corporation Act of 1979, within ninety (90) days of the Effective Date of this Contract. Pursuant to the Economic Development and Performance Agreement, Purchaser is an "Affiliate" of KMP that will own and operate the Project and this Contract satisfies the conditions of Section 13.12 of the Economic Development and Performance Agreement.

**15. MISCELLANEOUS PROVISIONS.**

A. **Effective Date of Contract.** The term "Effective Date" of this Contract as used herein shall mean the day that this Contract has been: (1) signed by Purchaser; (2) approved by the Board of Directors of Seller; and (3) signed by the Seller. If the final date of any period falls upon a Saturday, Sunday or legal holiday under the laws of the State of Texas, or upon a date when the office of the Title Company is closed for other reasons, then in such event the time of such period shall be extended to the next day which is not a Saturday, Sunday or legal holiday under the laws of the State of Texas, when the Title Company's office is open.

B. **Notices.** Any notice or communication required or permitted hereunder shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage fully prepaid, certified mail, addressed to the intended recipient at the addresses shown below, with a copy to such recipient's legal counsel, if the name of such legal counsel is shown below, or faxed to the facsimile transmission numbers of such persons shown on the signature page of this Contract. Any address for notice may be changed by written notice so given.

All notices required by this Contract shall be sent to:

**SELLER:**

The Burleson 4A Economic Development Corporation  
Attention: City Manager  
141 W Renfro Street  
Burleson, Texas 76028  
Facsimile: 817-426-9376

With a copy to:

Taylor, Olson, Adkins, Sralla & Elam, L.L.P.  
Attention: Dean Roggia  
6000 Western Place, Suite 200  
Fort Worth, Texas 76107  
(817) 332-2580  
Facsimile: 817-332-4740

**PURCHASER:**

1451, LLC, a Texas limited liability company  
Attention: Rustin Mayse  
1451 Heritage Parkway  
Mansfield, Texas 76063

With a copy to:

Brackett & Ellis, P.C.  
Attention: Amanda B. Hernandez  
100 Main Street  
Fort Worth, Texas 76102  
(817) 339-2470  
Email: ahernandez@belaw.com

C. **Forms.** At closing, Seller will execute, acknowledge and deliver a special warranty deed in the form attached to this Contract as **Exhibit C**.

D. **Attorney's Fees.** If either Party shall be required to employ an attorney to enforce or defend the rights of such Party herein, the prevailing Party shall be entitled to recover reasonable attorney's fees.

E. **Integration.** This Contract contains the complete agreement between the Parties and cannot be varied except by written agreement of the Parties. The Parties agree that there are no oral agreements, understandings, representations or warranties that are not expressly set forth herein.

F. **Survival.** The terms and conditions of this Contract and all representations, warranties, covenants and agreements made by Seller shall survive the closing of this transaction, and shall not merge herein.

G. **Binding Effect.** This Contract shall inure to the benefit of and bind the Parties hereto and their respective heirs, representatives, successors and assigns and shall be construed under the laws of the State of Texas.

H. **Rules of Construction.** The Parties acknowledge and agree that this Contract is the product of negotiation and compromise, and that both Parties have consulted legal counsel in the negotiation of the Contract, and that the Contract shall not be construed against the other Party, but all other rules of contract construction shall apply.

I. **Choice of Law and Place of Performance and Venue.** This Contract is to be construed under the substantive laws of the State of Texas, without regard to its choice of law rules. This Contract is to be performed entirely in Johnson County, Texas, and in the event of any dispute, venue shall be in the state courts located in Johnson County, Texas.

J. **Entire Contract.** This Contract, together with the Economic Development and Performance Agreement and any exhibits and addenda, any documents provided by Seller to Purchaser pursuant to this Contract, and any closing documents delivered at closing, constitute the entire agreement of the Parties concerning this transaction. There are no oral representations, warranties, agreements or promises pertaining to the sale of the Property by Seller to Purchaser not incorporated in this Contract, any exhibits and addenda, any documents provided by Seller to Purchaser pursuant to this Contract, or any closing documents delivered at closing.

K. **No Waiver of Default.** A failure of the non-defaulting Party to declare immediately a default shall not constitute a waiver of any provision of this Contract, unless this Contract expressly specifies a specific time for objection and a waiver upon a failure to timely object.

## 16. CONTRACT AS OFFER.

The execution of this Contract by the first Party to do so constitutes an offer to purchase or sell the Property. Unless within fifteen (15) days from the Effective Date of this Contract this Contract is accepted by the other Party and a fully executed copy is delivered to the first Party, the offer of this Contract shall be automatically revoked and terminated, and the Earnest Money, if any, shall be returned to Purchaser.

## 17. CHANGE OF POSSESSION.

Seller will deliver exclusive possession of the Property to Purchaser at closing.

**18. DISCLAIMERS; RELEASES; AS-IS SALE.**

PURCHASER HAS INSPECTED THE PROPERTY AND ACCEPTS IT AS-IS, AND ACKNOWLEDGES THAT SELLER MAKES NO WARRANTY OR REPRESENTATION REGARDING THE PROPERTY OR ITS CONDITION, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 8 ABOVE, OR OTHERWISE PROVIDED IN THIS CONTRACT AND THE WARRANTY OF TITLE WHICH WILL BE SET FORTH IN THE DEED. EXCEPT AS SET FORTH IN THIS CONTRACT AND IN THE DEED, PURCHASER ACKNOWLEDGES THAT SELLER MAKES NO WARRANTY OR REPRESENTATION THAT THE PROPERTY IS SUITABLE FOR PURCHASER'S INTENDED USE. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS CONTRACT, SELLER AND PURCHASER AGREE THAT EXCEPT AS SET FORTH IN THIS CONTRACT AND IN THE DEED, PURCHASER IS TAKING THE PROPERTY "AS IS," "WHERE IS" AND "WITH ALL FAULTS" AND WITH ANY AND ALL LATENT, AND PATENT DEFECTS AND THAT THERE IS NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE (INCLUDING, WITHOUT LIMITATION, WARRANTIES WITH RESPECT TO HABITABILITY, MARKETABILITY, USE OR FITNESS FOR A PARTICULAR PURPOSE) MADE BY SELLER WITH RESPECT TO THE PROPERTY, ALL OTHER REPRESENTATIONS AND WARRANTIES, BOTH EXPRESS AND IMPLIED, ARE HEREBY EXPRESSLY DISCLAIMED AND DENIED. PURCHASER ACKNOWLEDGES THAT IT HAS BEEN OR WILL BE GIVEN ADEQUATE TIME TO CONDUCT WHATEVER EXAMINATION, EVALUATIONS, INSPECTIONS, REVIEWS, STUDIES OR TESTS OF THE PROPERTY AND ITS CONDITION AS PURCHASER MAY DESIRE OR DETERMINE WARRANTED, AND THAT EXCEPT FOR THE WARRANTIES AND REPRESENTATIONS SET FORTH IN THIS CONTRACT AND THE WARRANTY OF TITLE SET FORTH IN THE DEED, PURCHASER DISCLAIMS ANY RELIANCE ON ANY REPRESENTATION, WARRANTY, STATEMENT OR OTHER ASSERTION WITH RESPECT TO THE PROPERTY OR ITS CONDITION BY SELLER OR ANY OF SELLER'S AFFILIATES OR ANY MEMBER, OFFICER, DIRECTOR, TRUSTEE, BROKER, AGENT, EMPLOYEE OR OTHER PERSON ACTING OR PURPORTING TO ACT ON BEHALF OF SELLER OR ANY OF ITS AFFILIATES, BUT PURCHASER IS RELYING SOLELY ON ITS OWN EXAMINATION, EVALUATIONS, INSPECTIONS, REVIEWS, STUDIES OR TESTS OF THE PROPERTY. THE PROVISIONS OF THIS SECTION SHALL SURVIVE CLOSING WITHOUT LIMITATION.

**19. COMMISSIONS.**

Both parties represent and warrant to each other that neither has dealt with any broker or finder in respect to the transaction contemplated hereby. Purchaser and Seller covenant and agree that each will, to the extent permitted by law, hold the other

Signed on this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

BURLESON, TEXAS 4A ECONOMIC  
DEVELOPMENT CORPORATION,

SELLER

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

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

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

THE STATE OF TEXAS       §  
  §  
COUNTY OF JOHNSON       §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_ of the Burleson 4A Economic Development Corporation, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

[SEAL]

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Printed/Typed Name of Notary

My Commission Expires: \_\_\_\_\_

**EARNEST MONEY RECEIPT**

The undersigned certifies that the above-named Purchaser has paid to Truly Title of Burleson the sum of Fifty Thousand Dollars and no cents (\$50,000.00) on this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

TRULY TITLE OF BURLESON

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

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

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

101 NW Ellison Street Unit 105  
Burleson, Texas 76028



**SIGNATURE PAGES**

Seller and Purchaser have executed this Contract on the dates which follow below their respective signatures.

Signed on this 27<sup>th</sup> day of February, 2025.

1451, LLC, a Texas limited liability company,

PURCHASER

By: [Signature]  
Name: Rustin Mayse  
Title: Owner

THE STATE OF TEXAS           §  
  §  
COUNTY OF TARRANT       §

BEFORE ME, the undersigned authority, on this day personally appeared RUSTIN MAYSE, OWNER of 1451, LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 27<sup>th</sup> day of FEBRUARY, 2025.

[SEAL]



[Signature]  
Notary Public in and for the State of Texas

LISA THREADGILL  
Printed/Typed Name of Notary  
My Commission Expires: 3/12/26

harmless from and against all liabilities, claims, demands and actions by third parties for brokerage, commission, finder's or other fees relative to negotiation or execution of this Contract, or the purchase and sale of the Property, and any court costs, attorneys' fees or other costs or expenses arising therefrom. This paragraph shall survive any termination or closing of this Contract.

**20. TEXAS REAL ESTATE LICENSING ACT.**

The Texas Real Estate License Act requires a real estate agent to advise Purchaser that he should have an attorney examine an abstract of title to the Property being purchased; or a title insurance Policy should be obtained. Notice to that effect is, therefore, hereby given to Purchaser.

**21. NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES.**

Seller notifies Purchaser under Section 5.010, Texas Property Code, as follows: If for the current ad valorem tax year, the taxable value of the land that is the subject of this contract is determined by a special appraisal method that allows for appraisal of the land at less than its market value, the person to whom the land is transferred may not be allowed to qualify the land for that special appraisal in a subsequent tax year and the land may then be appraised at its full market value. In addition, the transfer of the land or a subsequent change in the use of the land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change.

**22. TIME OF THE ESSENCE.**

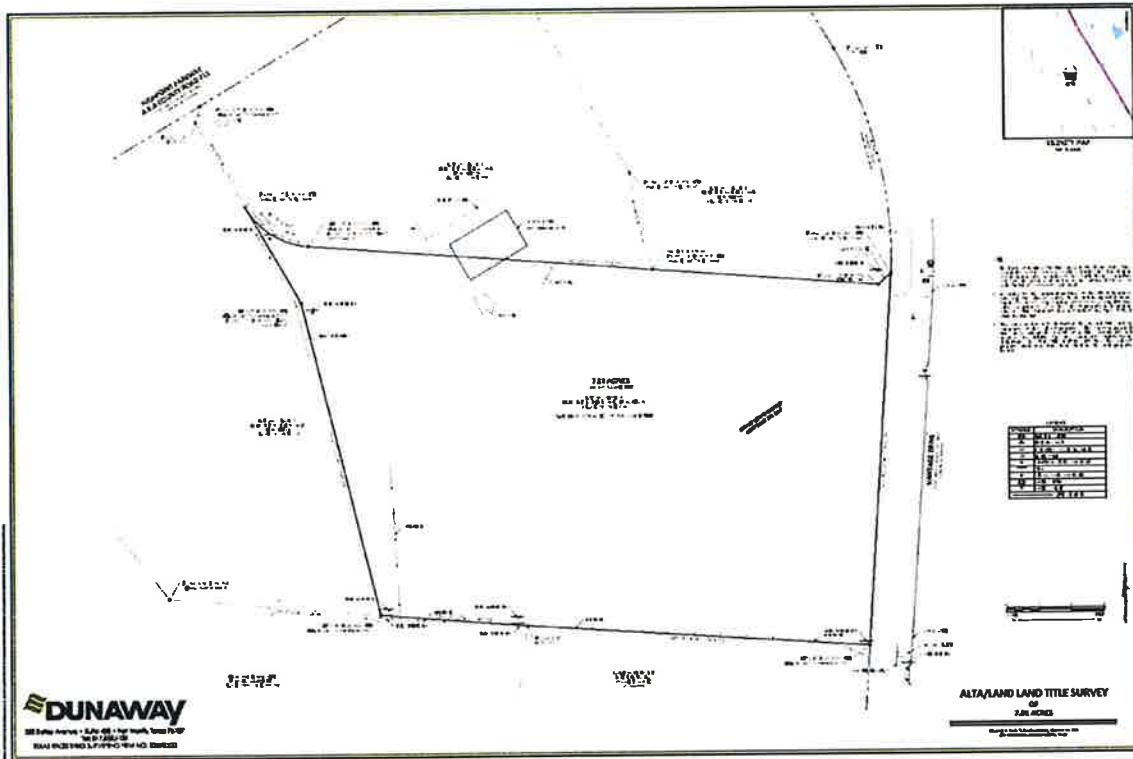
Time is of the essence in this Contract of Sale.

**[SIGNATURE PAGES TO FOLLOW]**

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**EXHIBIT A**

**Map of Site**



**EXHIBIT B**

**LEGAL DESCRIPTION OF PROPERTY**

Being a 7.01 acre tract of land situated in the Hiram Lewis Survey, Abstract Number 517, Johnson County, Texas, in the City of Burleson, being all of Lot 1R1, Block 7, Highpoint Business Park of Burleson, according to the plat recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas.

**EXHIBIT C**

**FORM OF SPECIAL WARRANTY DEED**

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

**SPECIAL WARRANTY DEED**

THE STATE OF TEXAS           §  
  §  
COUNTY OF JOHNSON         §

The Burleson 4A Economic Development Corporation, a nonprofit corporation organized under Title 12, Subtitle C1 of Title 12 of the Texas Local Government Code (Chapters 501 through 505) ("**Grantor**"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to Grantor paid by 1451, LLC, a Texas limited liability company ("**Grantee**"), the receipt and sufficiency of which are hereby acknowledged, and subject to the reservations described below, has GRANTED, BARGAINED, SOLD, and CONVEYED and by these presents does GRANT, BARGAIN, SELL, and CONVEY unto Grantee the real property located in Johnson County, Texas, described on **EXHIBIT A**, attached hereto, together with Grantor's rights, title, and interest in and to adjacent streets, easements, alleys, rights-of-way, and any adjacent strips or gores of real estate (the "**Land**"), together with all and singular the rights, privileges and easements appurtenant thereto, and all water, wastewater and other utility rights relating to the Property, and any and all easements, rights-of-way and other appurtenances used in connection with the beneficial use and enjoyment of the Property, in each case to the extent assignable (the "**Ancillary Rights**") (collectively, the Land and the Ancillary Rights, are the "**Property**").

This conveyance is made by Grantor and accepted by Grantee subject to the matters listed within the Economic Development Performance Agreement between the Grantor and the Grantee, and any permitted encumbrances shown on **EXHIBIT B**, which is incorporated herein in its entirety.

GRANTEE IS RELYING ON GRANTEE'S OWN DUE DILIGENCE INVESTIGATION IN MAKING ITS DECISION TO PURCHASE THE PROPERTY AND HAS NOT RELIED ON ANY REPRESENTATIONS OR WARRANTIES OF GRANTOR OR ANYONE ACTING ON BEHALF OF GRANTOR, EXCEPT FOR THE WARRANTY OF TITLE SET FORTH IN THIS DEED AND THE REPRESENTATIONS AND WARRANTIES OF GRANTOR EXPRESSLY SET FORTH IN THAT CERTAIN REAL

ESTATE PURCHASE AGREEMENT DATED \_\_\_\_\_, BY AND BETWEEN GRANTOR, AS SELLER, AND GRANTEE, AS PURCHASER (THE "PURCHASE AGREEMENT"). EXCEPT AS SET FORTH IN THIS DEED AND IN THE PURCHASE AGREEMENT, THE PROPERTY IS BEING SOLD "AS IS" AND WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Right to Repurchase. Grantor and Grantee's affiliate KMP Plumbing, LLC ("**KMP**") have entered into an Economic Development and Performance Agreement executed to be effective on February 27<sup>th</sup> 2025 (the "**Economic Development Agreement**"), which is incorporated herein by reference and which also includes performance obligations of the KMP and required plans for the "**Project**", as that term is defined in the Economic Development Agreement. Pursuant to the Economic Development Agreement, KMP shall pour a building foundation acceptable to the City of Burleson building official on or before February 28, 2026, subject to extension as provided therein. If KMP fails to pour a building foundation acceptable to the City of Burleson building official on or before February 28, 2026, as such date may be extended, and notice of KMP's failure is not cured within ninety (90) days of being notified by the Grantor, then Grantor shall have the right, but not the duty, to repurchase the Property for the Purchase Price (as that term is defined in the Purchase Agreement).

All taxes and other assessments assessed against the Property for the year 2025 have been prorated or otherwise settled between the parties, and Grantee assumes and agrees to pay such taxes and assessments in full. If this Special Warranty Deed or Grantee's use of the Property after the date hereof results in additional taxes or assessments for periods before the date hereof, such taxes and assessments shall be the obligation of and paid by Grantor, except where exempt, provided however, under no circumstances shall Grantee have any obligation for the payment of such taxes or related interest and penalties.

TO HAVE AND TO HOLD the Property, subject to the matters set forth above, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, its successors and assigns forever; and Grantor does hereby bind Grantor and Grantor's successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Property unto Grantee, its 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.

[SIGNATURE PAGES TO FOLLOW]



EXECUTED to be effective the \_\_\_\_ day of \_\_\_\_\_.

**GRANTOR:**

**BURLESON 4A ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code

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

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

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

THE STATE OF TEXAS       §  
  §  
COUNTY OF JOHNSON       §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_ of the Burleson 4A Economic Development Corporation, a nonprofit Corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

[SEAL]

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Printed/Typed Name of Notary  
My Commission Expires: \_\_\_\_\_

**EXHIBIT A – to form of special warranty deed**

**LEGAL DESCRIPTION**

Being a 7.01 acre tract of land situated in the Hiram Lewis Survey, Abstract Number 517, Johnson County, Texas, in the City of Burleson, being all of Lot 1R1, Block 7, Highpoint Business Park of Burleson, according to the plat recorded in Volume 10, Page 734, Plat Records of Johnson County, Texas.

**EXHIBIT B – to form of special warranty deed**

**PERMITTED ENCUMBRANCES**

1845513-v2/17612-003000

