



**NOTICE OF
SPECIAL MEETING OF THE ECONOMIC DEVELOPMENT CORPORATION
HICKORY CREEK TOWN HALL
1075 RONALD REAGAN AVENUE, HICKORY CREEK, TEXAS 75065
TUESDAY, OCTOBER 05, 2021, 5:00 PM**

AGENDA

Call to Order

Roll Call

Pledge of Allegiance to the U.S. And Texas Flags

Invocation

Items of Community Interest

Pursuant to Texas Government Code Section 551.0415 the Economic Development Corporation may report on the following: expressions of thanks, congratulations, or condolence; an honorary or salutary recognition of an individual; a reminder about an upcoming event organized or sponsored by the governing body; and announcements involving an imminent threat to the public health and safety of people in the municipality or county that has arisen after the posting of the agenda.

Public Comment

This item allows the public an opportunity to address the Economic Development Corporation. To comply with the provisions of the Open Meetings Act, the EDC cannot discuss or take action on items brought before them not posted on the agenda. Please complete a request if you wish to address the board. Comments will be limited to three minutes. Open Forum is for information only. No charges and/or complaints will be heard against any elected official, board member, the Town, or employee of the Town that are prohibited by law.

Consent Agenda

Items on the Consent Agenda are considered to be self-explanatory and will be enacted with one motion. No separate discussion of these items will occur unless so requested by at least one member of the Economic Development Corporation.

- [1.](#) August 2021 Financials
- [2.](#) August 2021 Meeting Minutes

Regular Agenda

- [3.](#) Monthly Performance Data
4. Discussion regarding equestrian and hike and bike trail in Sycamore Bend.
5. Consider and act on removing and designating individuals to have signature authority at financial institutions for the Economic Development Corporation.
- [6.](#) Consider and act on assisting Hickory Creek businesses with road advertising signage.
- [7.](#) Consider and act on a real estate sales contract with Hard Sun V, LLC, or related entity, regarding an approximately 0.1726-acre tract or tracts of land.

Adjournment

The Economic Development Corporation reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Chapter 551.

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact Town Hall at 940-497-2528 or by fax 940-497-3531 so that appropriate arrangements can be made.

I, Kristina Smith, do hereby certify, that this meeting notice was posted on the bulletin board at Town Hall, 1075 Ronald Reagan Avenue, Hickory Creek, Texas on September 30, 2021 at 4:00 p.m.

A handwritten signature in black ink, appearing to read "KSmith", is written over a horizontal line.

Kristina Smith
Town of Hickory Creek

3:22 PM

09/30/21

Accrual Basis

Hickory Creek Economic Development Corporation

Balance Sheet

As of August 31, 2021

	Aug 31, 21
ASSETS	
Current Assets	
Checking/Savings	
Ciera-Economic Development	53,096.25
Logic Economic Development	1,968,967.94
Total Checking/Savings	2,022,064.19
Total Current Assets	2,022,064.19
Fixed Assets	
1070 Ronald Reagan Avenue	875,000.00
8394 S. Stemmons Freeway	241,977.97
SWC of IH-35E and Ventana Drive	361,236.62
Total Fixed Assets	1,478,214.59
TOTAL ASSETS	3,500,278.78
LIABILITIES & EQUITY	
Equity	
Retained Earnings	3,098,525.78
Net Income	401,753.00
Total Equity	3,500,278.78
TOTAL LIABILITIES & EQUITY	3,500,278.78

Hickory Creek Economic Development Corporation

09/30/21

Budget vs. Actual

Accrual Basis

October 2020 through August 2021

	Oct '20 - Aug 21	Budget	% of Budget
Ordinary Income/Expense			
Income			
3002 Sales Tax Collections	468,310.72	412,500.00	113.5%
3004 Logic Interest	1,626.29	20,000.00	8.1%
3006 Reserve Funds	0.00	74,150.00	0.0%
3008 Mineral Royalties	229.35	0.00	100.0%
3010 Responsive ED Lease	11,000.00	12,000.00	91.7%
Total Income	481,166.36	518,650.00	92.8%
Expense			
Debt Service			
5006 Ronald Reagan Avenue	45,778.33	46,000.00	99.5%
Total Debt Service	45,778.33	46,000.00	99.5%
Expense			
4002 Administrative	5,325.00	10,800.00	49.3%
4004 Attorney	2,580.00	7,500.00	34.4%
4006 Audit	2,000.00	2,000.00	100.0%
4008 Bank Service Charges	0.00	100.00	0.0%
4010 Dues & Subscriptions	0.00	500.00	0.0%
4012 Engineering	0.00	5,000.00	0.0%
4014 Marketing	21,020.03	44,450.00	47.3%
4018 Park Improvements	0.00	350,000.00	0.0%
4022 Professional Service	0.00	0.00	0.0%
4024 Public Notices/Advertising	0.00	300.00	0.0%
4028 Training	910.00	2,500.00	36.4%
4030 Travel Expense	0.00	2,500.00	0.0%
4032 Infrastructure Improvement	0.00	20,000.00	0.0%
4034 Land Holding Cost	1,800.00	2,000.00	90.0%
4036 Land Acquisitions	0.00	0.00	0.0%
4038 Incentives	0.00	25,000.00	0.0%
Total Expense	33,635.03	472,650.00	7.1%
Total Expense	79,413.36	518,650.00	15.3%
Net Ordinary Income	401,753.00	0.00	100.0%
Net Income	401,753.00	0.00	100.0%

Hickory Creek Economic Development Corporation

Budget vs. Actual

October 2020 through September 2021

	<u>Oct 20</u>	<u>Nov 20</u>	<u>Dec 20</u>	<u>Jan 21</u>
Ordinary Income/Expense				
Income				
3002 Sales Tax Collections	35,361.29	44,093.65	39,515.41	37,899.93
3004 Logic Interest	247.70	207.93	210.20	188.57
3006 Reserve Funds	0.00	0.00	0.00	0.00
3008 Mineral Royalties	0.00	0.00	0.00	0.00
3010 Responsive ED Lease	1,000.00	1,000.00	1,000.00	1,000.00
Total Income	<u>36,608.99</u>	<u>45,301.58</u>	<u>40,725.61</u>	<u>39,088.50</u>
Expense				
Debt Service				
5006 Ronald Reagan Avenue	0.00	0.00	0.00	0.00
Total Debt Service	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Expense				
4002 Administrative	0.00	0.00	0.00	0.00
4004 Attorney	460.00	0.00	0.00	0.00
4006 Audit	0.00	0.00	0.00	0.00
4008 Bank Service Charges	0.00	0.00	0.00	0.00
4010 Dues & Subscriptions	0.00	0.00	0.00	0.00
4012 Engineering	0.00	0.00	0.00	0.00
4014 Marketing	450.00	1,525.00	3,795.03	6,075.00
4018 Park Improvements	0.00	0.00	0.00	0.00
4022 Professional Service	0.00	0.00	0.00	0.00
4024 Public Notices/Advertising	0.00	0.00	0.00	0.00
4028 Training	0.00	0.00	0.00	0.00
4030 Travel Expense	0.00	0.00	0.00	0.00
4032 Infrastructure Improvement	0.00	0.00	0.00	0.00
4034 Land Holding Cost	0.00	160.00	270.00	0.00
4036 Land Acquisitions	0.00	0.00	0.00	0.00
4038 Incentives	0.00	0.00	0.00	0.00
Total Expense	<u>910.00</u>	<u>1,685.00</u>	<u>4,065.03</u>	<u>6,075.00</u>
Total Expense	<u>910.00</u>	<u>1,685.00</u>	<u>4,065.03</u>	<u>6,075.00</u>
Net Ordinary Income	<u>35,698.99</u>	<u>43,616.58</u>	<u>36,660.58</u>	<u>33,013.50</u>
Net Income	<u><u>35,698.99</u></u>	<u><u>43,616.58</u></u>	<u><u>36,660.58</u></u>	<u><u>33,013.50</u></u>

Hickory Creek Economic Development Corporation
Budget vs. Actual

October 2020 through September 2021

	<u>Feb 21</u>	<u>Mar 21</u>	<u>Apr 21</u>	<u>May 21</u>
Ordinary Income/Expense				
Income				
3002 Sales Tax Collections	52,405.33	35,557.15	33,924.81	53,701.80
3004 Logic Interest	135.88	145.76	128.83	118.34
3006 Reserve Funds	0.00	0.00	0.00	0.00
3008 Mineral Royalties	0.00	114.29	0.00	0.00
3010 Responsive ED Lease	1,000.00	1,000.00	1,000.00	1,000.00
Total Income	<u>53,541.21</u>	<u>36,817.20</u>	<u>35,053.64</u>	<u>54,820.14</u>
Expense				
Debt Service				
5006 Ronald Reagan Avenue	0.00	0.00	0.00	0.00
Total Debt Service	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Expense				
4002 Administrative	0.00	0.00	0.00	0.00
4004 Attorney	60.00	100.00	120.00	100.00
4006 Audit	2,000.00	0.00	0.00	0.00
4008 Bank Service Charges	0.00	0.00	0.00	0.00
4010 Dues & Subscriptions	0.00	0.00	0.00	0.00
4012 Engineering	0.00	0.00	0.00	0.00
4014 Marketing	3,425.00	1,925.00	3,825.00	0.00
4018 Park Improvements	0.00	0.00	0.00	0.00
4022 Professional Service	0.00	0.00	0.00	0.00
4024 Public Notices/Advertising	0.00	0.00	0.00	0.00
4028 Training	0.00	0.00	0.00	0.00
4030 Travel Expense	0.00	0.00	0.00	0.00
4032 Infrastructure Improvement	0.00	0.00	0.00	0.00
4034 Land Holding Cost	0.00	0.00	270.00	320.00
4036 Land Acquisitions	0.00	0.00	0.00	0.00
4038 Incentives	0.00	0.00	0.00	0.00
Total Expense	<u>5,485.00</u>	<u>2,025.00</u>	<u>4,215.00</u>	<u>420.00</u>
Total Expense	<u>5,485.00</u>	<u>2,025.00</u>	<u>4,215.00</u>	<u>420.00</u>
Net Ordinary Income	<u>48,056.21</u>	<u>34,792.20</u>	<u>30,838.64</u>	<u>54,400.14</u>
Net Income	<u><u>48,056.21</u></u>	<u><u>34,792.20</u></u>	<u><u>30,838.64</u></u>	<u><u>54,400.14</u></u>

Hickory Creek Economic Development Corporation

Budget vs. Actual

October 2020 through September 2021

	<u>Jun 21</u>	<u>Jul 21</u>	<u>Aug 21</u>	<u>Sep 21</u>
Ordinary Income/Expense				
Income				
3002 Sales Tax Collections	40,721.83	44,968.39	50,161.13	0.00
3004 Logic Interest	92.17	85.84	65.07	0.00
3006 Reserve Funds	0.00	0.00	0.00	0.00
3008 Mineral Royalties	0.00	115.06	0.00	0.00
3010 Responsive ED Lease	1,000.00	1,000.00	1,000.00	0.00
Total Income	<u>41,814.00</u>	<u>46,169.29</u>	<u>51,226.20</u>	<u>0.00</u>
Expense				
Debt Service				
5006 Ronald Reagan Avenue	0.00	45,778.33	0.00	0.00
Total Debt Service	<u>0.00</u>	<u>45,778.33</u>	<u>0.00</u>	<u>0.00</u>
Expense				
4002 Administrative	0.00	5,325.00	0.00	0.00
4004 Attorney	120.00	1,540.00	80.00	0.00
4006 Audit	0.00	0.00	0.00	0.00
4008 Bank Service Charges	0.00	0.00	0.00	0.00
4010 Dues & Subscriptions	0.00	0.00	0.00	0.00
4012 Engineering	0.00	0.00	0.00	0.00
4014 Marketing	0.00	0.00	0.00	0.00
4018 Park Improvements	0.00	0.00	0.00	0.00
4022 Professional Service	0.00	0.00	0.00	0.00
4024 Public Notices/Advertising	0.00	0.00	0.00	0.00
4028 Training	875.00	0.00	35.00	0.00
4030 Travel Expense	0.00	0.00	0.00	0.00
4032 Infrastructure Improvement	0.00	0.00	0.00	0.00
4034 Land Holding Cost	390.00	390.00	0.00	0.00
4036 Land Acquisitions	0.00	0.00	0.00	0.00
4038 Incentives	0.00	0.00	0.00	0.00
Total Expense	<u>1,385.00</u>	<u>7,255.00</u>	<u>115.00</u>	<u>0.00</u>
Total Expense	<u>1,385.00</u>	<u>53,033.33</u>	<u>115.00</u>	<u>0.00</u>
Net Ordinary Income	<u>40,429.00</u>	<u>-6,864.04</u>	<u>51,111.20</u>	<u>0.00</u>
Net Income	<u><u>40,429.00</u></u>	<u><u>-6,864.04</u></u>	<u><u>51,111.20</u></u>	<u><u>0.00</u></u>

Hickory Creek Economic Development Corporation

Budget vs. Actual

October 2020 through September 2021

	TOTAL	
	Oct '20 - Sep 21	Budget
Ordinary Income/Expense		
Income		
3002 Sales Tax Collections	468,310.72	412,500.00
3004 Logic Interest	1,626.29	20,000.00
3006 Reserve Funds	0.00	74,150.00
3008 Mineral Royalties	229.35	0.00
3010 Responsive ED Lease	11,000.00	12,000.00
Total Income	481,166.36	518,650.00
Expense		
Debt Service		
5006 Ronald Reagan Avenue	45,778.33	46,000.00
Total Debt Service	45,778.33	46,000.00
Expense		
4002 Administrative	5,325.00	10,800.00
4004 Attorney	2,580.00	7,500.00
4006 Audit	2,000.00	2,000.00
4008 Bank Service Charges	0.00	100.00
4010 Dues & Subscriptions	0.00	500.00
4012 Engineering	0.00	5,000.00
4014 Marketing	21,020.03	44,450.00
4018 Park Improvements	0.00	350,000.00
4022 Professional Service	0.00	0.00
4024 Public Notices/Advertising	0.00	300.00
4028 Training	910.00	2,500.00
4030 Travel Expense	0.00	2,500.00
4032 Infrastructure Improvement	0.00	20,000.00
4034 Land Holding Cost	1,800.00	2,000.00
4036 Land Acquisitions	0.00	0.00
4038 Incentives	0.00	25,000.00
Total Expense	33,635.03	472,650.00
Total Expense	79,413.36	518,650.00
Net Ordinary Income	401,753.00	0.00
Net Income	401,753.00	0.00

3:23 PM

09/30/21

Accrual Basis

Hickory Creek Economic Development Corporation

August 2021 Detail

Type	Date	Num	Name	Amount
Ordinary Income/Expense				
Income				
3002 Sales Tax Collections				
Deposit	08/25/2021			50,161.13
Total 3002 Sales Tax Collections				50,161.13
3004 Logic Interest				
Deposit	08/31/2021		Deposit	65.07
Total 3004 Logic Interest				65.07
3010 Responsive ED Lease				
Deposit	08/04/2021			1,000.00
Total 3010 Responsive ED Lease				1,000.00
Total Income				51,226.20
Expense				
Expense				
4004 Attorney				
Check	08/12/2021	2654	Brown & Hofmeister,...	80.00
Total 4004 Attorney				80.00
4028 Training				
Deposit	08/12/2021			-140.00
Check	08/18/2021	2655	Texas Economic De...	175.00
Total 4028 Training				35.00
Total Expense				115.00
Total Expense				115.00
Net Ordinary Income				51,111.20
Net Income				51,111.20



HICKORY CREEK ECONOMIC DEVELOP CORP
ATTN KRISTI K ROGERS
1075 RONALD REAGAN AVE
HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 0638012001

ACCOUNT NAME: GENERAL FUND

STATEMENT PERIOD: 08/01/2021 - 08/31/2021

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 0.0389%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 57 DAYS AND THE NET ASSET VALUE FOR 8/31/21 WAS 1.000058.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			1,968,902.87
08/31/2021	MONTHLY POSTING	9999888	65.07	1,968,967.94
	ENDING BALANCE			1,968,967.94

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	1,968,902.87
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	65.07
ENDING BALANCE	1,968,967.94
AVERAGE BALANCE	1,968,902.87

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
GENERAL FUND	321,639.17	0.00	960.46



**SPECIAL MEETING OF THE ECONOMIC DEVELOPMENT CORPORATION
HICKORY CREEK TOWN HALL
1075 RONALD REAGAN, HICKORY CREEK, TEXAS
THURSDAY, AUGUST 12, 2021**

MINUTES

Call to Order

Vice President Enriquez called the meeting to order at 5:01 p.m.

Roll Call

The following Directors were present:

Treasurer Lynn Clark

Director Sugene May

Director Christina Pierson

Vice President Bruce Enriquez

The following directors were absent:

Secretary Nancy Koket

Director Tracee Elrod

Also in attendance were:

John Smith, Town Administrator

Ian Theodore, Town Council Liaison

Kristina Smith, Administrative Assistant

Pledge of Allegiance to the U.S. And Texas Flags

Vice President Enriquez led the Pledge of Allegiance to the U.S And Texas Flags.

Invocation

Director May gave the invocation.

Items of Community Interest

Councilmember Theodore has been appointed the liaison for the Economic Development Corporation.

Public Comment

There was no public comment.

Consent Agenda

1. June 2021 Financials
2. July 2021 Financials

3. June 2021 Meeting Minutes
4. June 2021 Special Meeting Minutes

Motion made by Director May to approve consent agenda items 1-4, Seconded by Director Pierson.

Voting Yea: Treasurer Clark, Director May, Director Pierson, Vice President Enriquez.

Motion passed unanimously.

Regular Agenda

5. Consider and act on election of Chairman.

Motion made by Treasurer Clark to approve Bruce Enriquez, President, Seconded by Director May.

Voting Yea: Treasurer Clark, Director May, Director Pierson, Vice President Enriquez.

Motion passed unanimously.

6. Conduct a public hearing and consider and act on a Performance Agreement with Hard Sun V, LLC, a Texas limited liability company.

Vice President Enriquez called the public hearing to order at 5:06 p.m. With no one wishing to speak, Vice President Enriquez closed the public hearing at 5:06 p.m.

Motion made by Director May to approve the Performance Agreement with Hard Sun V, LLC a Texas limited liability company, Seconded by Director Pierson.

Voting Yea: Treasurer Clark, Director May, Director Pierson, Vice President Enriquez.

Motion passed unanimously.

Adjournment

Motion made by Director May to adjourn the meeting, Seconded by Director Pierson.

Voting Yea: Treasurer Clark, Director May, Director Pierson, Vice President Enriquez. Motion passed unanimously.

The meeting adjourned at 5:10 p.m.

APPROVED:

Bruce Enriquez, Vice President
Hickory Creek Economic Development Corporation

Hickory Creek Economic Development Corporation
August 12, 2021
Page 3

ATTEST:

Lynn Clark, Treasurer
Hickory Creek Economic Development Corporation

Hickory Creek
2020-2021 Sales Tax Tracker

Month	Net Payment This Period	Comparable Period Last year	% change		Current YTD	Prior YTD	% Change
Jan-20	\$146,268.35	\$122,392.45	19.50%		\$146,268.35	\$122,392.45	19.50%
Feb-20	\$199,848.16	\$173,393.47	15.25%		\$346,116.51	\$295,785.92	17.01%
Mar-20	\$122,403.94	\$106,730.94	14.68%		\$468,520.45	\$402,516.86	16.39%
Apr-20	\$121,612.50	\$110,696.08	9.86%		\$590,132.95	\$513,212.94	14.98%
May-20	\$162,992.28	\$157,686.38	3.36%		\$753,125.23	\$670,899.32	12.25%
Jun-20	\$142,030.05	\$119,919.77	18.43%		\$895,155.28	\$790,819.09	13.19%
Jul-20	\$148,708.11	\$125,432.28	18.55%		\$1,043,863.39	\$916,251.37	13.92%
Aug-20	\$181,493.37	\$155,114.82	17.00%		\$1,225,356.76	\$1,071,366.19	14.37%
Sep-20	\$138,146.45	\$137,575.83	0.41%		\$1,363,503.21	\$1,208,942.02	12.78%
Oct-20	\$141,445.17	\$127,511.32	10.92%		\$1,504,948.38	\$1,336,453.34	12.60%
Nov-20	\$176,374.59	\$196,484.25	-10.23%		\$1,681,322.97	\$1,532,937.59	9.67%
Dec-20	\$158,061.62	\$133,429.68	18.46%		\$1,839,384.59	\$1,666,367.27	10.38%
Jan-21	\$151,599.73	\$146,268.35	3.64%		\$151,599.73	\$146,268.35	3.64%
Feb-21	\$209,621.30	\$199,848.16	4.89%		\$361,221.03	\$346,116.51	4.36%
Mar-21	\$142,228.61	\$122,403.94	16.19%		\$503,449.64	\$468,520.45	7.45%
Apr-21	\$135,699.22	\$121,612.50	11.58%		\$639,148.86	\$590,132.95	8.30%
May-21	\$214,807.19	\$162,992.28	31.78%		\$853,956.05	\$753,125.23	13.38%
Jun-21	\$162,887.32	\$142,030.05	14.68%		\$1,016,843.37	\$895,155.28	13.59%
Jul-21	\$179,873.55	\$148,708.11	20.95%		\$1,196,716.92	\$1,043,863.39	14.64%
Aug-21	\$200,644.53	\$181,493.37	10.55%		\$1,397,361.45	\$1,225,356.76	14.03%
Sep-21	\$161,005.65	\$138,146.45	16.54%		\$1,558,367.10	\$1,363,503.21	14.29%

PH 512.462.1310

O-121832-F3X6
9/1/2021
Net 30
9/30/2021



LONESTAR LOGOS
— TEXAS —

Palios Pizza Cafe
4080 FM 2181 Hickory Creek
Hickory Creek TX 75065

Subtotal	\$2,950.00
Tax	\$0.00
Cash Discount Price	\$2,950.00

"Driving Business Your Way"

Real Estate Sales Contract

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

Seller: **Hickory Creek Economic Development Corporation**

A Texas non-profit corporation

Address: 1075 Ronald Reagan Avenue
Hickory Creek, Texas 75065

Attn: John Smith, Town Administrator

Phone: (940) 497-2528 Ext. 231

E-mail: John.Smith@hickorycreek-tx.gov

Seller's Attorney: Brown & Hofmeister, LLP
740 East Campbell Road, Suite 800
Richardson, Texas 75081

Attn: Jeffrey L. Moore

Phone: (214) 747-6100

E-mail: jmoore@bhlaw.net

Buyer: **Hard Sun V, LLC,**
A Texas limited liability company

Address: 10001 Hwy. 380
Cross Roads, Texas 76227

Phone:

E-mail:

Buyer's Attorney: Gregory J. Sawko, Attorney

Address: 1172 Bent Oaks Drive
Denton, Texas 76210

Phone: (940) 382-4357

E-mail: gsawko@dentonlawyer.com

Property: **approximately 0.726-acre tract or tracts of land in the J.W. Survey, Abstract No. 1163, Town of Hickory Creek, Denton County, Texas, and**

as generally described and/or depicted in *Exhibit A* of this Contract, which is attached hereto and incorporated herein for all purposes (“Land”), together with improvements to the Land (“Improvements”).

Title Company: Freedom Title

Address: 3624 Long Prairie Road
Flower Mound, Texas 75022

Phone: 972-899-5950
Fax: 855-457-9992
E-mail: LMiller@freedomtitletx.com

Underwriter:

Purchase Price: **Two Hundred Thousand and No/100 Dollars (\$200,000.00)**

Cash portion: **Two Hundred Thousand and No/100 Dollars (\$200,000.00)**

Total purchase price: **Two Hundred Thousand and No/100 Dollars (\$200,000.00)**

Earnest Money: **One Thousand and No/100 Dollars (\$1,000.00)**

County for Performance: Denton County, Texas

A. Deadlines and Other Dates

All deadlines in this Contract expire at 5:00 P.M. local time where the Property is located. If a deadline falls on a Saturday, Sunday, or national holiday, the deadline will be extended to the next day that is not a Saturday, Sunday, or national holiday. A national holiday is a holiday designated by the federal government. Time is of the essence.

1. Earnest Money Deadline: Five (5) days after the Effective Date.
2. Delivery of Title Commitment: Fifteen (15) days after the Effective Date.
3. Delivery of Survey: Fifteen (15) days after the Effective Date.
4. Delivery of legible copies of instruments referenced in the Title Commitment and Survey: Twenty (20) days after the Effective Date.
5. Delivery of Title Objections: Fifteen (15) days after delivery of the Title Commitment, Survey, and legible copies of the instruments referenced in them
6. Delivery of Seller's records as specified in *Exhibit B*: Fifteen (15) days after the Effective Date

7. End of Inspection Period: Thirty (30) days after the Effective Date
8. Additional Earnest Money Deadline: N/A
9. Closing Date: Fifteen (15) days after the end of the Inspection Period
10. Closing Time: 10:00 a.m. [CST]

B. Closing Documents

1. At closing, Seller will deliver the following items:

Special Warranty Deed

Evidence of Seller's authority to close this transaction

2. At closing, Buyer will deliver the following items:

Purchase Price

Evidence of Buyer's authority to consummate this transaction

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

C. Exhibits

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

Exhibit A - Description of the Land

Exhibit B - Seller's Records

D. Purchase and Sale of Property

Seller agrees to sell and convey the Property to Buyer, and Buyer agrees to buy and pay Seller for the Property. The promises by Buyer and Seller stated in this Contract are the consideration for the formation of this Contract.

E. Interest on Earnest Money

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

F. Title and Survey

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

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

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

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

5. *Title Objections.* Buyer has until the deadline stated in section A.5. ("Title Objection Deadline") to review the Survey, Title Commitment, and legible copies of the title instruments referenced in them and notify Seller of Buyer's objections to any of them ("Title Objections"). Buyer will be deemed to have approved all matters reflected by the Survey, and Title Commitment to which Buyer has made no Title Objection by the Title Objection Deadline. The matters that Buyer either approves or is deemed to have approved are "Permitted Exceptions." If Buyer notifies Seller of any Title Objections, Seller has five (5) days from receipt of Buyer's notice to notify Buyer whether Seller agrees to cure the Title Objections before closing ("Cure Notice"). If Seller does not timely give its Cure Notice or timely gives its Cure Notice but does not agree to cure all the Title Objections before closing, Buyer may, within five (5) days after the deadline for the giving of Seller's Cure Notice, notify Seller that either this Contract is terminated or Buyer will proceed to close, subject to Seller's obligations to resolve the items listed in Schedule C of

the Title Commitment, remove the liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date, and cure only the Title Objections that Seller has agreed to cure in the Cure Notice. At or before closing, Seller must resolve the items that are listed on Schedule C of the Title Commitment, remove all liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date of this Contract, and cure the Title Objections that Seller has agreed to cure.

G. Inspection Period

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

2. *Entry onto the Property.* Buyer may enter the Property before closing to inspect it, subject to the following:

- a. Buyer must deliver evidence to Seller that Buyer has insurance for its proposed inspection activities, in amounts and with coverages that are substantially the same as those maintained by Seller or in such lesser amounts or with such lesser coverages as are reasonably satisfactory to Seller;
- b. Buyer may not interfere in any material manner with existing operations or occupants of the Property;
- c. Buyer must notify Seller in advance of Buyer's plans to conduct tests so that Seller may be present during the tests;
- d. if the Property is altered because of Buyer's inspections, Buyer must return the Property to its preinspection condition promptly after the alteration occurs;
- e. Buyer must deliver to Seller copies of all inspection reports that Buyer prepares or receives from third-party consultants or contractors within three (3) days after their preparation or receipt; and
- f. Buyer must abide by any other reasonable entry rules imposed by Seller.

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

4. *Buyer's Indemnity and Release of Seller*

- a. *Indemnity.* To the extent allowed by law, Buyer will indemnify, defend, and hold Seller harmless from any loss, attorney's fees, expenses, or claims arising out of Buyer's investigation of the Property, except for repair or remediation of existing conditions discovered by Buyer's inspection. The obligations of Buyer under this provision will survive termination of this Contract and closing.
- b. *Release.* Buyer releases Seller and those persons acting on Seller's behalf from all claims and causes of action (including claims for attorney's fees and court and other costs) resulting from Buyer's investigation of the Property.

H. Representations

The parties' representations stated herein are true and correct as of the Effective Date and must be true and correct on the Closing Date.

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

1. *Maintenance and Operation.* Until closing, Seller will (a) maintain the Property as it existed on the Effective Date, except for reasonable wear and tear and casualty damage; (b) operate the Property in the same manner as it was operated on the Effective Date; and (c) comply with all contracts and governmental regulations affecting the Property. Until the end of the Inspection Period, Seller will not enter into, amend, or terminate any contract that affects the Property other than in the ordinary course of operating the Property and will promptly give notice to Buyer of each new, amended, or terminated contract, including a copy of the contract, in sufficient time so that Buyer may consider the new information before the end of the Inspection Period. If Seller's notice is given within three (3) days before the end of the Inspection Period, the Inspection Period will be extended for three (3) days. After the end of the Inspection Period, Buyer may terminate this Contract if Seller enters into, amends, or terminates any contract that affects the Property without first obtaining Buyer's written consent.

2. *Casualty Damage.* Seller will notify Buyer promptly after discovery of any casualty damage to the Property. Seller will have no obligation to repair or replace the Property if it is damaged by casualty before closing. Buyer may terminate this Contract if the casualty damage that occurs before closing would materially affect Buyer's intended use of the Property, by giving notice to Seller within fifteen (15) days after receipt of Seller's notice of the casualty (or before closing if Seller's notice of the casualty is received less than fifteen (15) days before closing). If Buyer does not terminate this Contract, Seller will (a) convey the Property to Buyer in its damaged condition, (b) assign to Buyer all of Seller's rights under any property insurance policies covering the Property, and (c) pay to Buyer the amount of the deductibles and coinsurance provisions under any insurance policies covering the Property, but not in excess of the cost to repair the casualty damage and less any amounts previously paid by Seller to repair the Property. If Seller has not insured the Property and Buyer does not elect to terminate this Contract in accordance with this section, the Purchase Price will be reduced by the cost to repair the casualty damage.

3. *Condemnation.* Seller will notify Buyer promptly after Seller receives notice that any part of the Property has been or is threatened to be condemned or otherwise taken by a governmental or quasi-governmental authority. Buyer may terminate this Contract if the condemnation would materially affect Buyer's intended use of the Property by giving notice to Seller within fifteen (15) days after receipt of Seller's notice to Buyer (or before closing if Seller's notice is received less than fifteen (15) days before closing). The condemnation will be deemed to materially affect Buyer's intended use of the Property. If Buyer does not terminate this Contract, (a) Buyer and Seller will each have the right to appear and defend their respective interests in the Property in the condemnation proceedings, (b) any award in condemnation will be assigned to Buyer, (c) if the taking occurs before closing, the description of the Property will be revised to delete the portion taken, and (d) no change in the Purchase Price will be made.

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

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

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

J. Termination

1. Disposition of Earnest Money after Termination

- a. *To Buyer.* If Buyer terminates this Contract in accordance with any of Buyer's rights to terminate, Seller will, within five (5) days after receipt of Buyer's termination notice, authorize Title Company to deliver the Earnest Money to Buyer, less \$100, which will be paid to Seller as consideration for the right granted by Seller to Buyer to terminate this Contract.
- b. *To Seller.* If Seller terminates this Contract in accordance with any of Seller's rights to terminate, Buyer will, within five (5) days after receipt of Seller's termination notice, authorize Title Company to pay and deliver the Earnest Money to Seller.

2. *Duties after Termination.* If this Contract is terminated, Buyer will promptly return to Seller all documents relating to the Property that Seller has delivered to Buyer and all copies that Buyer has made of the documents. After return of the documents and copies, neither party will

have further duties or obligations to the other under this Contract, except for those obligations that cannot be or were not performed before termination of this Contract and those obligations that survive termination under the express terms of this Contract.

K. Closing

1. *Closing.* This transaction will close at Title Company's offices at the Closing Date and Closing Time. At closing, the following will occur:

- a. *Closing Documents.* The parties will execute and deliver the Closing Documents.
- b. *Payment of Purchase Price.* Buyer will deliver the Purchase Price and other amounts that Buyer is obligated to pay under this Contract to Title Company in funds acceptable to Title Company. The Earnest Money will be applied to the Purchase Price.
- c. *Disbursement of Funds; Recording; Copies.* Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this Contract, record the deed and the other Closing Documents directed to be recorded, and distribute documents and copies in accordance with the parties' written instructions.
- d. *Delivery of Originals.* Seller will deliver to Buyer the originals of Seller's Records.
- e. *Possession.* Seller will deliver possession of the Property to Buyer, subject to the Permitted Exceptions existing at closing and any lien and security interest in favor of Seller, if the sale is seller-financed.

2. *Transaction Costs*

- a. *Seller's Costs.* Seller will pay the basic premium charge for the Title Policy; one-half of the escrow fee charged by Title Company; the costs to prepare the deed; the costs to obtain, deliver, and record releases of all liens to be released at closing; the costs to record all documents to cure Title Objections agreed to be cured by Seller; and certificates or reports of ad valorem taxes; the costs to deliver copies of the instruments described in section A.4.; and Seller's expenses and attorney's fees.
- b. *Buyer's Costs.* Buyer will pay one-half of the escrow fee charged by Title Company; the costs to obtain, deliver, and record all documents other than those to be recorded at Seller's expense; the additional premiums for additions or deletions in the Title Policy, if requested by Buyer; the costs to obtain the Survey and the costs of work required by Buyer to have the

survey reflect matters other than those required under this Contract; and Buyer's expenses and attorney's fees.

- c. *Ad Valorem Taxes.* Ad valorem taxes for the Property for the calendar year of closing will be prorated between Buyer and Seller as of the Closing Date. Seller's portion of the prorated taxes will be paid to Buyer at closing as an adjustment to the Purchase Price. If the assessment for the calendar year of closing is not known at the Closing Date, the proration will be based on taxes for the previous tax year, and Buyer and Seller will adjust the prorations in cash within thirty (30) days of when the actual assessment and taxes are known. All taxes due as of closing will be paid at closing. If the Property has been the subject of special valuation and reduced tax assessments pursuant to the provisions of chapter 23, subchapter D, of the Texas Tax Code with respect to any period before the closing and additional taxes are assessed pursuant to section 23.55 thereof, the following will apply:
 - (1) If Seller changes the use of the Property before closing, resulting in the assessment of additional taxes for periods before closing, Seller will pay the additional taxes.
 - (2) If this sale or Buyer's use of the Property results in the assessment of additional taxes for periods before closing, Buyer will pay the additional taxes.
- d. *Income and Expenses.* Income and expenses pertaining to operation of the Property will be prorated as of the Closing Date on an accrual basis and paid at closing as a credit or debit adjustment to the Purchase Price. Invoices that are received after closing for operating expenses incurred on or before the Closing Date and not adjusted at closing will be prorated between the parties as of the Closing Date, and Seller will pay its share within ten (10) days after notice of Buyer's invoice.
- e. *Postclosing Adjustments.* If errors in the prorations made at closing are identified within ninety (90) days after closing, Seller and Buyer will make postclosing adjustments to correct the errors within fifteen (15) days of receipt of notice of the errors.
- f. *Brokers' Commissions.* N/A

3. *Issuance of Title Policy.* Seller will cause Title Company to issue the Title Policy to Buyer as soon as practicable after closing.

L. Default and Remedies

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

- a. *Termination; Liquidated Damages.* Buyer may terminate this Contract by giving notice to Seller on or before the Closing Date and Closing Time and have the Earnest Money, less \$100 as described above, returned to Buyer.
- b. *Specific Performance.* Unless Seller's Default relates to the untruth or incorrectness of Seller's representations for reasons not reasonably within Seller's control, Buyer may enforce specific performance of Seller's obligations under this Contract. If title to the Property is awarded to Buyer, the conveyance will be subject to the matters stated in the Title Commitment.

2. *Buyer's Default.* If Buyer fails to perform any of its obligations under this Contract ("Buyer's Default"), Seller may elect either of the following as its sole and exclusive remedy:

- a. *Termination; Liquidated Damages.* Seller may terminate this Contract by giving notice to Buyer on or before the Closing Date and Closing Time and have the Earnest Money paid to Seller.
- b. *Specific Performance.* Seller may enforce specific performance of Buyer's obligations under this Contract. If title to the Property is awarded to Buyer, the conveyance will be subject to the matters stated in the Title Commitment.

3. *Attorney's Fees.* If either party retains an attorney to enforce this Contract, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

M. Miscellaneous Provisions

1. *Notices.* Any notice required by or permitted under this Contract must be in writing. Any notice required by this Contract will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Contract. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, electronic mail, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein. Copies of each notice must be given by one of these methods to the attorney of the party to whom notice is given.

2. *Entire Contract.* This Contract, together with its exhibits, and any Closing Documents delivered at closing constitute the entire agreement of the parties concerning the sale of the Property by Seller to Buyer. There are no oral representations, warranties, agreements, or

promises pertaining to the sale of the Property by Seller to Buyer not incorporated in writing in this Contract.

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

4. *Prohibition of Assignment.* Buyer may not assign this Contract or any of Buyer's rights under it without Seller's prior written consent, and any attempted assignment is void. This Contract binds, benefits, and may be enforced by the parties and their respective heirs, successors, and permitted assigns.

5. *Survival.* The obligations of this Contract that cannot be performed before termination of this Contract or before closing will survive termination of this Contract or closing, and the legal doctrine of merger will not apply to these matters. If there is any conflict between the Closing Documents and this Contract, the Closing Documents will control.

6. *Choice of Law; Venue; Alternative Dispute Resolution.* This Contract will be construed under the laws of the state of Texas, without regard to choice-of-law rules of any jurisdiction. Venue is in the County for Performance, except as otherwise provided by applicable law. Time permitting, the parties will submit in good faith to an alternative dispute resolution process before filing a suit concerning this Contract.

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

8. *No Third-Party Beneficiaries.* There are no third-party beneficiaries of this Contract.

9. *Severability.* The provisions of this Contract are severable. If a court of competent jurisdiction finds that any provision of this Contract is unenforceable, the remaining provisions will remain in effect without the unenforceable parts.

10. *Ambiguities Not to Be Construed against Party Who Drafted Contract.* The rule of construction that ambiguities in a document will be construed against the party who drafted it will not be applied in interpreting this Contract.

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

12. *Counterparts.* If this Contract is executed in multiple counterparts, all counterparts taken together will constitute this Contract.

N. Special Provisions

1. This Contract is subject to the approval of the Board of Directors of the Seller.

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SELLER:

***HICKORY CREEK ECONOMIC
DEVELOPMENT CORPORATION,***

A Texas non-profit corporation

By: _____

Bruce Enriquez, President

Date Signed: _____

ATTEST:

Nancy Koket, Secretary

BUYER:

HARD SUN V, LLC,

A Texas limited liability company

By: _____

James M. Murray, Owner

Date Signed: _____

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

TITLE COMPANY:

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A

Description of the Land

The following described real property:

approximately 0.726-acre tract or tracts of land in the J.W. Survey, Abstract No. 1163, Town of Hickory Creek, Denton County, Texas, and as generally described and/or depicted in *Exhibit A* of this Contract.

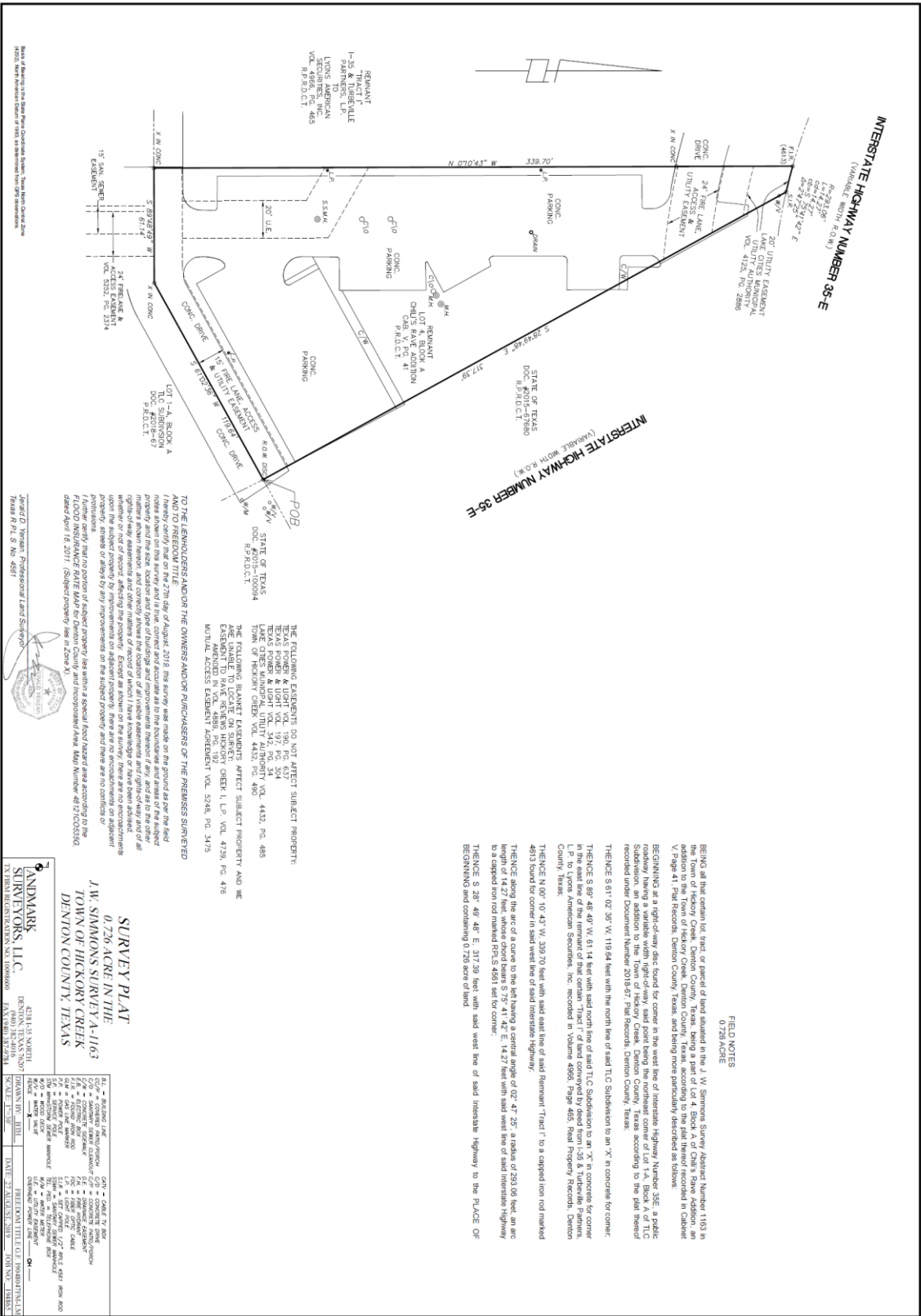


Exhibit B

Seller's Records

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

Land

soil reports
environmental reports
prior surveys
site plans