Texas Department of Housing and Community Affairs
2019 9% Housing Tax Credit Pre-Application

Application Number: 19061
Submitted Date: 1/9/2019 1:11PM
Submitted By: Kathryn Saar

Contact Information

Primary Contact: Jeremy Mears
1000 Louisville Ave
Monroe, LA 71201
Phone: 210-669-3081
Email: jmears@mearsdevelopment.com

Secondary Contact: Leslie Holleman
Phone: 325-784-9797
Email: leslie@holleman-associates.com

Consultant Contact: Kathryn Saar
Phone: 512-828-6413
Email: kathryn@holleman-associates.com

Development Information

Name of Proposed Entity: Residences at Hedgewood, Ltd
Development Name: Residences at Hedgewood
Development Type: New Construction
Secondary Type: None
Previous TDHCA #: None
Initial Construction Year: 0
Units Demolished: 0
Units Reconstructed: 0
# of Non-Contiguous Sites: 1
# of Census Tracts: 1
Target Population: Elderly
Development Address: NEC US Hwy 77 at Hedgewood Dr
Waxahachie, TX 75165
ETJ?: N
County: Ellis
Region: 3
Rural/Urban: Urban
Census Tracts: 48139060212
Total LI Units: 105
Total MR Units: 19
Total Units: 124
HTC Request: $1,481,138.00
Pre-App Fee Due: $1,240.00
Has Fee already been submitted?: Yes
Name on Check: Brownstone Affordable Housing, Ltd.
Check Number: 13452
Set-Aside Election: none

Notifications

U.S. Representative: Ron Wright
State Senator: Brian Birdwell
State Representative: John Wray
District: 6
District: 22
District: 10
School Superintendent: Dr. Bonny Cain
School District: Waxahachie ISD
School District Address: 411 N Givson St
Waxahachie, TX 75165

Presiding Officer of Board of Trustees: Dusty Autrey
Address: 411 N Gibson St
Waxahachie, TX 75165

Elected Officials: Kevin Strenght
Mayor
David Hill
City Council Member
Chuck Beatty
City Council Member
Mary Lou Shipley
County Judge
Melissa Olson
County Commissioner
Todd Little
County Commissioner
Randy Stinson
County Commissioner
Lane Grayson
County Commissioner
Paul Perry
Kyle Butler

Neighborhood Organizations: None

Competitive Housing Tax Credit Selection Self-Score

Criteria Promoting Development of High Quality Housing

Unit Sizes: 6
Unit Features: 9
Sponsor Characteristics: 2
High Quality Housing Total: 17

Criteria to Serve and Support Texans Most in Need

Income Levels of Tenants: 16
Rent Levels of Tenants: 11
Tenant Services: 10
Opportunity Index: 7
Underserved Area: 3
Tenant Populations with Special Housing Needs: 2
Proximity to the Urban Core: 0
Serve and Support Texans Most in Need Total: 49

Criteria Promoting Community Support and Engagement

Commitment of Development Funding by Local Political Subdivision: 1
Declared Disaster Area: 10
Community Support and Engagement Total: 11
Criteria Promoting Efficient Use of Limited Resources and Applicant Accountability

- Financial Feasibility: 18
- Cost of Development per Square Foot: 12
- Pre-Application Participation: 6
- Leveraging Private, State and Federal Resources: 3
- Extended Affordability: 2
- Historic Preservation: 0
- Right of First Refusal: 1
- Funding Request Amount: 1

Efficient Use of Limited Resources and Applicant Accountability Total: 43

Point Adjustment: 0

Total Applicant Self-Score: 120

Intent to Request Points for Items not Included in the Applicant’s Self-Score

- Readiness to Proceed: 0 points
- Government Support: 17 points
- Quantifiable Community Participation: 4 points
- Support from State Representative: 8 points
- Input from Community Organizations: 4 points
- Concerted Revitalization Plan: 0 points
- Eligible to score at least 4 points under Opportunity Index?: 8 points

Attachments and Certifications

- Site Control Documentation: Waxahachie - Receipted Earnest Money Contract.pdf
- Census Tract Map: CENSUS TRACT MAP - Residences at Hedgewood.pdf
- Neighborhood Risk Factors:
- Other Pertinent Information:
Receipt For Funds

Brand: Alamo Title Company
Profit Center: ATCH-01COM
Order Number: ATCH18084451-TH
Trust Acct. Date: 12/13/18
Reference Number: 101001760

Trust Acct. Code: TXAHOU-CAB8996
Bank Name: Cadence Bank, N.A.

Ledger ID: ATCH18084451
Buyer/Borrower: Brownstone Ventures, LLC
Seller: ADEMM-1 Family LP, Ltd
Property Address: 7 acres out of the 15.343 acre tract at North Highway 77, Waxahachie, TX 75165

Transaction Date: 12/13/18
Original User ID: FNFGLOBAL\thamilton

Amount: $10,000.00
Received From: Brownstone Ventures, LLC

Type of Funds Received: Check

Bank Drawn On: International Bank of Commerce
From Check Number: 13417
ABA Routing Number: 113000861
Account Number: [Redacted]

Received the above funds: 
Date: 12/13/2018 By: [Signature]

**CASH DEPOSIT VERIFIED

The parties to this escrow acknowledge that the maintenance of escrow accounts with some depository institutions may result in Escrow Holder or its affiliates being provided with bank services, accommodations or other benefits by the depository institution. Escrow Holder or its affiliates also may elect to enter into other business transactions with or obtain loans for investment or other purposes from the depository institution. All such services, accommodations and other benefits shall accrue to Escrow Holder or its affiliates, and Escrow Holder or its affiliates shall have no obligation to account to the parties to the escrow for the value of such services, accommodations or other benefits.

NOTICE OF OPPORTUNITY TO EARN INTEREST

You have the opportunity to earn interest on your escrowed funds as follows:
1. Request your escrow agent set up an interest bearing account.
2. The charge to set up and service the interest bearing account is $______.
3. As an example, the amount of interest you can earn on a deposit of $1,000.00 for a thirty day period at an interest of 4% is $3.33. Interest earned is dependent on the amount of the deposit, length of time of the deposit and the prevailing interest rate.
4. To establish an interest bearing account, ask for an "Escrow Instruction - Interest Bearing Account", complete the form and return it to your escrow officer.

Reference Number: 101001760
EARNEST MONEY CONTRACT

THE STATE OF TEXAS                KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF ELLIS

This Earnest Money Contract (“Agreement”) is made by and between ADEM1
FAMILY LP, LTD. (hereinafter referred to as “Seller”), and BROWNSTONE VENTURES, LLC,
a Texas limited liability company, or its assigns (hereinafter referred to as “Purchaser”), upon the
terms and conditions set forth herein. In consideration of the mutual covenants and agreements
contained herein, and intending to be legally bound hereby, the parties hereto agree:

ARTICLE I.
PURCHASE AND SALE

Upon satisfaction of the conditions herein, Seller will sell and convey, and Purchaser will
purchase and pay for the real property described as follows:

An approximately 7-acre tract or parcel of land out of the 15.343-acre parcel
which is located at North Highway 77, Waxahachie, Texas 75165; legal
description 1024 J Starrett 15.343 Acres and being more particularly
described on Exhibit “A” attached hereto and incorporated herein by
reference. Said property is listed as Property ID 191272 and Geographic ID
90.1024.000.010.00.112.

The conveyance shall be together with all and singular the rights, appurtenances and
entitlements pertaining to the property, including the Seller’s right, title, and interest in any
utilities, adjacent streets on which the property fronts (all of such real property, rights, and
appurtenances being hereinafter referred to as the “Property”), for the consideration and upon and
subject to the terms, provisions, and conditions hereinafter set forth.

ARTICLE II.
PURCHASE PRICE

Amount of Purchase Price

2.01 The purchase price for said Property shall be ONE MILLION FOUR HUNDRED
SEVENTY-EIGHT THOUSAND EIGHT HUNDRED SIXTY-TWO AND 00/100 DOLLARS
($1,478,862.00) (the “Purchase Price”). The Purchase Price is calculated on the basis of $4.85 per
square foot.

2.02 Adjustment to Purchase Price. None

Payment of Purchase Price
2.03 The Purchase Price shall be payable as follows:

(a) Purchaser has delivered for deposit with Alamo Title Company, 1800 Bering, Suite 150, Houston, Texas 77057, Attention: Tom Hamilton (hereinafter referred to as the “Title Company”) a cash sum (hereinafter referred to as the “Earnest Money”) in the amount of $10,000.00 not later than three (3) days after the Effective Date, as set out in Article III, which shall be credited to the Purchase Price.

(b) At closing, the entire Purchase Price shall be paid in cash.

ARTICLE III.
EARNEST MONEY

For the purpose of securing performance of Purchaser under the terms and provisions of this Agreement, Purchaser has deposited Earnest Money in the amount of $10,000.00 with the Title Company, which sums shall be credited to Purchaser at closing.

ARTICLE IV.
CONDITIONS TO PURCHASER’S OBLIGATIONS

4.01 Seller shall cooperate with Purchaser in re-platting or re-zoning, if necessary. Any such re-platting or re-zoning will be at Purchaser’s cost. Purchaser must submit any proposed plat to Seller for Seller’s review and approval prior to filing (such approval not to be unreasonably withheld or delayed). Purchaser must determine, to its satisfaction, prior to the end of the Feasibility Period that it will be able to obtain a satisfactory plat and satisfactory re-zoning. Inability of Purchaser to obtain satisfactory platting or zoning shall not be a condition to Closing. Purchaser will submit an application for Planning and Zoning within thirty (30) days from the Effective Date.

4.02 (a) In the event that the Property is not currently zoned to allow multi-family residential development or if site plan approval is necessary, Seller agrees to cooperate with Purchaser in making application with the City of Waxahachie/County of Ellis for a zoning change or for site plan approval, such that Purchaser will be able to develop and construct a senior housing residential development project on the Property. The re-zoning applications or site plan approval application shall be signed by Seller and shall request zoning or site plan approval to accommodate a senior housing residential development with such re-zoning or approval to take effect on or before the Closing Date. If the Property is not zoned for multi-family development or if site plan approval is not received by the necessary authorities from the City of Waxahachie/County of Ellis on or before the Feasibility Period, Purchaser may terminate this Agreement and receive full return of the Earnest Money and any Extension Fees.

(b) With respect to Seller’s remainder parcel of land, Seller shall be prohibited during the term of this Agreement from selling and/or entering into an earnest money contract or purchase option contract with another multifamily or senior housing apartment developer until March 1, 2019; provided, however, said restriction shall not limit Seller from accepting multiple offers and/or entering into multiple earnest money contracts with Purchaser.
Title Insurance Commitment

4.03 The parties hereby instruct the Title Company to deliver to Purchaser and Seller (and the Surveyor) within twenty (20) days after the Effective Date, a title commitment covering the Property indicating all exceptions, if any, to Seller’s title (the “Title Commitment”) and binding the Title Company to issue at the closing an Owner’s Policy of Title Insurance issued by a title insurance company approved by Purchaser on the standard form of policy prescribed by the Texas Department of Insurance and in the full amount of the Purchase Price, together with legible copies of all documents constituting exceptions to Seller’s title (the “Exception Documents”).

Survey

4.04 It is agreed that following execution of this Agreement, Purchaser shall obtain an updated survey at Purchaser’s expense (the “Survey”). The parties hereto agree that the metes and bounds description of the Property prepared by the surveyor, once approved by the Title Company, shall be substituted for Exhibit “A” attached to this Agreement.

Title Review

4.05 Purchaser shall have twenty (20) days (the “Title Review Period”) after receipt of the Survey, the Title Commitment and the Exception Documents to notify Seller, in writing, of such objections as Purchaser may have to anything contained in the Title Commitment or the Survey. Any item contained in the Title Commitment, the Exception Documents or the Survey to which Purchaser does not object during the Title Review Period shall be deemed a “Permitted Exception.”

Cure or Removal of Unpermitted Exceptions and Encumbrances

4.06 If Purchaser delivers to Seller written objections within twenty (20) days after receipt of the Survey, Title Commitment and the Exception Documents, Seller shall in good faith attempt to cure (but has no obligation to cure) the objections prior to Closing. If by Closing, Seller, in good faith, is unable to cure such defects, then Purchaser as its sole remedy may either (i) terminate this Agreement and receive a full refund of the Earnest Money or (ii) waive the objections and accept such title as Seller is able to convey (with each uncured objection being also deemed a Permitted Exception).

ARTICLE V.
CONDITION OF PROPERTY
AND
FEASIBILITY PERIOD

5.01 Seller shall deliver possession of the premises to Purchaser in its present condition “AS IS, WHERE IS AND WITH ALL FAULTS.”
5.02 IT IS UNDERSTOOD AND AGREED THAT THE PROPERTY IS BEING CONVEYED “AS IS, WHERE IS AND WITH ALL FAULTS”. THE OCCURRENCE OF THE CLOSING SHALL CONSTITUTE AN ACKNOWLEDGEMENT BY PURCHASER THAT THE PROPERTY WAS ACCEPTED WITHOUT REPRESENTATION OR WARRANTY, STATUTORY, EXPRESS OR IMPLIED, AND OTHERWISE IN AN “AS IS, WHERE IS, AND WITH ALL FAULTS” CONDITION BASED SOLELY ON PURCHASER’S OWN INSPECTION THEREOF AND THE PROVISIONS OF THIS PARAGRAPH HEREIN, AS WELL AS THE FOLLOWING PARAGRAPH WHICH PARAGRAPH SHALL BE INCORPORATED INTO THE DEED CONVEYING SUCH PROPERTY:

SELLER CONVEYS THE PROPERTY “AS IS”, “WHERE IS” AND “WITH ALL FAULTS.” SELLER DISCLAIMS ALL EXPRESS WARRANTIES (OTHER THAN THE WARRANTY OF TITLE CONTAINED HEREIN), ALL STATUTORY WARRANTIES, AND ALL IMPLIED WARRANTIES WITH RESPECT TO THE PROPERTY CONVEYED HEREBY, ALL WARRANTIES OF HABITABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. SELLER DISCLAIMS ALL REPRESENTATIONS OTHER THAN FOR THOSE SET FORTH IN THIS EARNEST MONEY CONTRACT FOR THIS PROPERTY.

5.03 PURCHASER ACKNOWLEGDES THAT PURCHASER SHALL FULLY INSPECT THE PROPERTY AND THAT NO STATEMENT OR DECLARATION, REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, HAS BEEN MADE BY SELLER, OR BY ANY OFFICER, EMPLOYEE, AGENT OR SALES REPRESENTATIVE OF SELLER TO PURCHASER CONCERNING ANY MATTER RESPECTING THE PROPERTY WHICH HAS BEEN RELIED ON BY PURCHASER IN ENTERING INTO THIS AGREEMENT OR WHICH HAS FORMED AN INDUCEMENT TO PURCHASER TO ENTER INTO THIS AGREEMENT.

Feasibility Period

5.04 Purchaser may terminate this Agreement for any reason on or before June 15, 2019 (the “Feasibility Period”) by providing Seller written notice of termination subject to the following conditions:

(a) If this Agreement is terminated by Purchaser within 60 days of the Effective Date, the Earnest Money will be refunded to Purchaser less $2,500.00 that Seller will retain as independent consideration for Purchaser’s unrestricted right to terminate during this time.

(b) If this Agreement is terminated by Purchaser within 61 days after the Effective Date but prior to or on March 31, 2019, the Earnest Money will be refunded to Purchaser less $5,000.00 that Seller will retain as independent consideration for Purchaser’s unrestricted right to terminate during this time.

(c) If this Agreement is terminated by Purchaser after March 31, 2019 but prior to or on June 15, 2019, the Earnest Money will be refunded to Purchaser less $7,500.00 that Seller will retain as independent consideration for Purchaser’s unrestricted right to terminate during this time.
(d) Purchaser has tendered the independent consideration to Seller upon payment of the amount specified in Article III above. The independent consideration is to be credited to the Purchase Price only upon closing.

Representations by Seller

5.05 Seller represents and warrants the following:

(a) Seller has full right, title and authority to enter into this Agreement, and that no other party has any right, option, interest, or claim to all or any part of the Property, whether subject to earnest money contract, option agreement, right of first refusal, reversionary or future interests; and this Agreement, when executed and delivered by Seller and Purchaser will constitute the valid and binding agreement of Seller, enforceable against Seller in accordance with its terms.

(b) Seller is not a “foreign person” within the meaning of Section 1445 of the Internal Revenue Code of 1986 (i.e., Seller is not a nonresident alien, foreign corporation, foreign partnership, foreign trust, or foreign estate, as those terms are defined in the Internal Revenue Code and the regulations promulgated thereunder).

(c) No party has or shall have on the Closing Date any rights in the Property, or any right to acquire the Property.

(d) There are no tenant leases covering any part of the Property and Purchaser shall have full right to possession of the Property after closing.

(e) There are no actions, suits, claims, assessments, or proceedings pending, to Seller’s actual knowledge, threatened, against the Property.

(f) From the date hereof through Closing Date, Seller will not create, nor consent to any changes in the condition of title (except as provided in (a) above), except liens that will be paid at closing.

(g) To Seller’s actual knowledge, Seller has received no notice of any alleged, threatened or actual violation of any law, ordinance or regulation.

(h) To Seller’s actual knowledge, there is no pending condemnation or similar proceeding affecting the Property, or any portion thereof, nor does Seller have any actual knowledge that any such action is presently contemplated; nor to the actual knowledge of Seller are there any pending public improvements in, about or outside the Property that will in any manner affect access to the Property or result in additional assessments against the Property.

(i) No attachment, execution, assignment for the benefit of creditors, receivership, conservatorship or voluntary or involuntary proceedings in bankruptcy or pursuant
to any other debtor relieve laws has been filed by or against Seller or the Property nor to Seller’s actual knowledge is any such action contemplated or pending by or against Seller or the Property.

(j) To Seller’s actual knowledge, Seller has not caused or permitted any Hazardous Materials to be used, generated, released, discharged, stored, disposed, placed, handled or transported on, under, in, above, to or from the Property or any part thereof. For the purposes of the foregoing representations and warranties, (i) “Hazardous Materials” shall mean any “hazardous waste” as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901 et seq.), as amended from time to time, and regulations promulgated thereunder; (ii) any “hazardous substance” as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9602 et seq.), as amended from time to time, and regulations promulgated thereunder; (iii) asbestos; (iv) polychlorinated biphenyls; (v) underground storage tanks, whether empty, filled or partially filled with any substance; (vi) any substance the presence of which on the Property is prohibited by any federal, state, county, municipal or other local governmental statutes, regulations, ordinances or resolutions; and (vii) any other substance which by any federal, state, county, municipal or other local governmental statutes, regulations, ordinances or resolutions require special handling or notification in its collection, storage, treatment or disposal.

(k) From and after the Effective Date hereof and prior to the Closing Date, Seller shall not, without Purchaser’s prior written consent (which consent shall not be unreasonably withheld, delayed or conditioned), execute or enter into any development, restrictive covenant agreements, leases, licenses, easements or other material contracts or agreements of any kind or nature affecting the Property, or any portion thereof.

5.06 THE PROVISIONS OF THIS SECTION V SHALL SURVIVE THE CLOSING AND THE DELIVERY OF THE DEED FOR A PERIOD OF TWELVE (12) MONTHS.

ARTICLE VI.
PURCHASER’S REPRESENTATIONS

6.01 Purchaser has taken all corporate and other action necessary to approve and effect the transaction contemplated hereby and authorize execution of this Agreement by the individuals who are executing it. Purchaser is a duly formed and validly existing business in the jurisdiction where the Property is located.

6.02 The execution and delivery of this Agreement, the consummation of the transactions provided for herein and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of or constitute a default under, the Purchaser’s organizing document, any agreement of Purchaser or any instrument to which Purchaser is a party or by which Purchaser is bound, or any judgment, decree or order of any court or governmental body, or any applicable law, rule or regulation.
ARTICLE VII.
CLOSING

7.01 Closing shall occur at the Title Company’s office on or before 30 days after the expiration of the Feasibility Period (the “Closing Date”). General real estate taxes for the year of closing relating to the Property shall be prorated as of the Closing Date. If the closing shall occur before the tax rate is fixed for the then current year, the apportionment of taxes shall be upon the basis of the most recently approved tax rates applied to the latest assessed valuation and adjusted when actual figures are available. There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds.

Seller will pay any “rollback” taxes assessed for the periods prior to closing, and pay or credit to Purchaser Seller’s pro-rata share of taxes for the year of closing. Purchaser shall assume the payment of taxes for the year of closing, and thereafter.

Extension of Closing Date

7.02 Purchaser shall have the right to extend the Closing Date for five (5) additional periods of thirty (30) days each for a fee of $10,000.00 (“Extension Fee”) per extension period. All Extension Fees shall be paid to the Title Company and shall be immediately released to Seller and non-refundable but applicable to the Purchase Price.

7.03 All costs and expenses of closing in consummating the sale and purchase of the Property shall be borne and paid as follows:

(a) Surveys and studies commissioned by Purchaser to be paid by Purchaser.

(b) Purchaser’s owner’s title policy shall be paid by Seller for a title insurance policy with an insured face value of the Purchase Price;

(c) Recording fees paid by Purchaser.

(d) Title Company charges for escrow fees and messenger fees to be paid fifty percent (50%) by Seller and fifty percent (50%) by Purchaser. Incidental fees and fees incurred to remove standard exceptions from the title policy to be paid by Purchaser; tax certificates to be paid by Seller.

(e) All costs and fees associated with platting and re-zoning of the Property shall be paid by Purchaser.

7.04 Seller’s Responsibilities. The obligations of Purchaser hereunder shall be subject to the delivery to Purchaser at Closing, of the following documents, all of which shall be fully executed at Seller’s sole cost and expense:

(a) A commitment for an Owner’s Policy of Title Insurance for the Property issued by the Title Company in the full amount of the Sales Price, dated as of the Closing Date, insuring Purchaser’s fee simple title to the Property and
access easements associated with the Property to be good and indefeasible subject only to the Permitted Exceptions, and the standard printed exceptions contained in the usual form of the Title Policy.

(b) Special Warranty Deed in the form and substance substantially similar to that attached hereto as Exhibit B conveying to Purchaser the Property, subject only to the Permitted Exceptions and such additional encumbrances as Purchaser shall agree upon.

(c) A Non-Foreign Certificate in accordance with Section 1445 of the Internal Revenue Code.

(d) Reasonable evidence (satisfactory to the Title Company) of Seller’s capacity and authority for closing this transaction.

(e) Other documents reasonably requested by the Title Company as administrative requirements for closing this transaction.

7.05 Purchaser’s Responsibilities. On the Closing Date, Purchaser shall deliver to Seller, at Purchaser’s sole cost and expense, the following:

(a) The Purchase Price of the Property paid in “good funds”.

(b) Reasonable evidence (satisfactory to the Title Company) of Purchaser’s capacity and authority for closing this transaction.

(c) Other documents reasonably requested by the Title Company as administrative requirements for closing this transaction.

ARTICLE VIII.
BREACH BY SELLER

In the event of a breach of this Agreement by Seller, Purchaser’s only remedy against Seller shall be (i) the return to Purchaser of the Purchaser’s Earnest Money and any Extension Fees, if applicable, or (ii) enforce specific performance of this agreement. Purchaser waives all other rights, remedies and damages. If Purchaser shall choose to have the Earnest Money and any Extension Fees, if applicable, refunded, Seller shall deliver to Purchaser an executed release within five (5) days of demand on a form approved by the title company, releasing the Title Company and Purchaser from all known and unknown liabilities and claims, including claims to the Earnest Money and directing the Title Company to pay the Earnest Money and Extension Fees, if applicable, to Purchaser. Purchaser shall likewise, execute such release, releasing Seller from all known and unknown claims. If Seller fails to timely and duly execute such a release to Purchaser within five (5) days of demand, Purchaser shall be entitled to elect and recover other damages and/or remedies.
ARTICLE IX.
BREACH BY PURCHASER

In the event of a breach of this Agreement by Purchaser, Seller’s only remedy against Purchaser shall be the payment to Seller of the Earnest Money and any paid Extension Fees, which shall be paid to Seller as Seller’s sole remedy, provided that Purchaser delivers to Seller within five (5) days of demand, all surveys, reports and studies relating to the Property and an executed release within five (5) days of demand on a form approved by the title company, releasing the Title Company and Seller from all known and unknown liabilities and claims, including claims to the Earnest Money, Extension Fees and/or the Property and directing the Title Company to pay the Earnest Money and any Extension Fees to Seller. Seller shall likewise, execute such release, releasing Purchaser from all known and unknown claims. Seller waives all other rights, remedies and damages.

ARTICLE X.
BROKERAGE FEES

All brokerage fees will be paid by the Seller.

ARTICLE XI.
MISCELLANEOUS

Assignment of Contract

Purchaser shall have the right to assign this Agreement.

Notice

All notices, demands and requests which may be given or which are required to be given by either party to the other, and any exercise of a right of termination provided by this Agreement, shall be in writing by either: (i) personally delivered to the intended recipient; (ii) sent, by certified or registered mail, return receipt requested, addressed to the intended recipient at the address specified on the signature page hereof; (iii) delivered in person to the address set forth on the signature page hereof for the party to whom the notice was given; (iv) deposited into the custody of a nationally recognized overnight delivery service such as Federal Express, addressed to such party at the address specified on the signature page hereof; or (v) sent by e-mail and facsimile provided that receipt for such facsimile is verified by the sender and followed by a notice sent in accordance with one of the other provisions set forth above. Notices shall be effective on the date of delivery or receipt, or if delivery is not accepted, on the earlier of the date that delivery is refused or three (3) days after the notice is mailed. For purposes hereof, the addresses of the parties for all notices are as set forth on the signature pages hereof (unless changed by similar notice in writing given by the particular person whose address is to be changed).

Texas Law to Apply

This contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Ellis County, Texas.
Parties Bound

This contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns where permitted by this contract.

Prior Agreements Superseded

This Agreement between Seller and Purchaser, constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

Effective Date

Time is of the essence hereof. For purposes of calculation of all time periods mentioned herein, the effective date of this Agreement (the “Effective Date”) shall be the date upon which the Title Company receipts for a fully executed copy of this Agreement.

Compliance

In accordance with the requirements of Section 28 of the Texas Real Estate License Act, Purchaser is hereby advised that it should be furnished with or obtain a policy of title insurance or have the abstract covering the Property examined by an attorney of its own selection.

Holidays

In the event that the date upon which any duties or obligations hereunder to be performed shall occur upon a Saturday, Sunday or legal holiday, then, in such event, the due date for performance of any duty or obligation shall thereupon be automatically extended to the next succeeding business day.

Counterpart Execution

To facilitate execution, this Agreement may be executed in as multiple counterparts. It shall not be necessary that the signature of all persons required to bind any party appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages. Copies of signature pages to this Agreement are effective as original signatures.

[Remainder of page intentionally left blank.]
SELLER:
ADEMM-1 FAMILY LP, LTD.

By: ____________________________
Name: Adam Arredondo
Title: __________________________

ADDRESS OF SELLER:
Attn: __________________________
128 Hwy 77 N
Waxahachie, Texas 75165
Phone: _________________________

PURCHASER:
BROWNSTONE VENTURES, LLC

By: ____________________________
Jeremy Mears, Manager

ADDRESS OF PURCHASER:
Attention: Jeremy Mears
6517 Mapleridge
Houston, Texas 77081
Phone: 210-669-3081
E-mail: jeremy@thebrownstonegroup.net
EXHIBIT “A”

DESCRIPTION OF THE PROPERTY
EXHIBIT “B”

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
COUNTY OF ELLIS §

KNOW ALL MEN BY THESE PRESENTS §

THAT ____________________________ (hereinafter called “Grantor”), for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY unto, ____________________________ (herein called “Grantee”), Grantee’s address for the purposes hereof being 6517 Mapleridge, Houston, Texas 77081, the following described real property together with all improvements and fixtures (if any) thereon, and all rights and appurtenances pertaining to such real property, including any right, title and interest of Grantor in and to any and all roads or streets affecting, benefitting or bounding such real property, any easements benefitting such real property, and any strips or gores of property abutting or bounding such real property (collectively, the “Property”), to-wit:

See Exhibit A attached hereto.

This conveyance is made and accepted subject to those matters set forth on Exhibit B attached hereto and made a part hereof to the extent that same are valid, in existence, and enforceable (collectively, the “Permitted Exceptions”).

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, subject to the Permitted Exceptions, unto Grantee, its successors, assigns and legal representatives forever; and Grantor does hereby bind itself and its successors to WARRANT AND FOREVER DEFEND all and singular the Property unto Grantee, its successors, assigns and legal representatives, against every person whomsoever lawfully claiming or to claim the same or any part thereto by, through or under Grantor but not otherwise, subject, however to the Permitted Exceptions.

GRANTOR CONVEYS THE PROPERTY “AS IS”, “WHERE IS” AND “WITH ALL FAULTS.” GRANTOR DISCLAIMS ALL EXPRESS WARRANTIES (OTHER THAN THE WARRANTY OF TITLE CONTAINED HEREIN), ALL STATUTORY WARRANTIES, AND ALL IMPLIED WARRANTIES WITH RESPECT TO THE PROPERTY CONVEYED HEREBY, ALL WARRANTIES OF HABITABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. GRANTOR DISCLAIMS ALL REPRESENTATIONS OTHER THAN FOR THOSE SET FORTH IN THE EARNEST MONEY CONTRACT FOR THIS PROPERTY.

Ad valorem taxes for the year 2019 have been prorated as of the effective date hereof between Grantor and Grantee, and payment of ad valorem taxes for 2019 and subsequent years for the Property is hereby assumed by Grantee.
EXECUTED as of the date of the acknowledgment hereto, and delivered and effective the ____ day of ______________, 2019.

GRANTOR:

By: ________________________________
Name: ______________________________
Title: ______________________________

STATE OF TEXAS

COUNTY OF ______________

This instrument was acknowledged before me on ______________, 2019, by ____________________, __________________ of ____________________, __________, on behalf of said ____________________.

Notary Public, State of Texas
The 2019 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2019 based on three releases of 5-year tabulations from the American Community Survey (ACS): 2010-2014; 2011-2015, and 2016-2018, and Registrar notice published October 22, 2018.

Site Location

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