Texas Department of Housing and Community Affairs

2019 9% Housing Tax Credit Pre-Application

Application Number: 19072
Submitted Date: 1/9/2019 2:32PM
Submitted By: Kathryn Saar

Contact Information

Primary Contact: Doak Brown
6517 Mapleridge
Houston, TX 77081
Phone: 713-432-7727
Email: doak@thebrownstonegroup.net

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: Rockwell Senior Village, Ltd
Development Name: Rockwell Senior Village
Development Type: New Construction
Secondary Type: Elderly
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: 6002 S Sam Houston Pkwy W
Houston, TX 77085
ETJ?: N
County: Fort Bend
Region: 6
Rural/Urban: Urban
Census Tracts: 48157670200
Total LI Units: 100
Total MR Units: 20
Total Units: 120
HTC Request: $1,450,436.00
Pre-App Fee Due: $1,200.00
Has Fee already been submitted?: Yes
Name on Check: Brownstone Affordable Housing, Ltd.
Check Number: 13462
Set-Aside Election: none

Notifications

U.S. Representative: Al Green
State Senator: Borris L Miles
State Representative: Ron Reynolds
District: 9
District: 13
District: 27
School Superintendent: Charles E Dupre
School District: Fort Bend ISD
School District Address: 16431 Lexington Blvd
Sugar Land, TX 77479

Presiding Officer of Board of Trustees: Jason Burdine
Address: 16431 Lexington Blvd
Sugar Land, TX 77479

Elected Officials: Sylvester Turner
Brenda Stardig
Jerry Davis
Ellen Cohen
Dwight Boykins
Dave Martin
Steve Le
Greg Travis
Karla Cisneros
Robert Gallegos
Mike Laster
Martha Castex-Tatum
Mike Knox
David Robinson
Michael Kubosh
Amanda Edwards
Jack Christie
KP George
Vincent Morales, Jr
Grady Prestage
Andy Meyers
Ken DeMerchant

Mayor
City Council Member
City Council Member
City Council Member
City Council Member
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City Council Member
County Judge
County Commissioner
County Commissioner
County Commissioner
County Commissioner

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: 5
Tenant Populations with Special Housing Needs: 2
Proximity to the Urban Core: 0
Serve and Support Texans Most in Need Total: 51
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:
Total Applicant Self-Score: 122

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

Readiness to Proceed: 5 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?:

Attachments and Certifications

Site Control Documentation: Rockwell - Receipted Earnest Money Contract.pdf
Census Tract Map: CENSUS TRACT MAP - Rockwell Senior Village.pdf
Neighborhood Risk Factors:
Other Pertinent Information:
EARNEST MONEY CONTRACT

This Earnest Money Contract ("Agreement") is made by and between ROCKWELL PARTNERS, LLC (hereinafter referred to as "Seller"), and BROWNSTONE VENTURES, LLC, a Texas limited liability company (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 9 +/- acre tract(s) or parcel of land out of Block 1 of Unrestricted Reserve "A" of Rockwell Beltway according to the map or plat thereof recorded on January 18, 2017 as Plat Number 20170007 in the Plat Records of Fort Bend County, Texas (the "Plat") and being more particularly shown on Exhibit "A" attached hereto and incorporated herein by reference.

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 the Property shall be FOUR MILLION TWO HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS ($4,250,000.00) (the "Purchase Price").

Payment of Purchase Price

2.02 The Purchase Price shall be payable as follows:

(a) Purchaser shall deliver for deposit with Alamo Title Company, 1800 Bering, Ste. 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 $50,000.00 not later than three days after the Effective Date, as set out in Article III, which shall be credited to the Purchase Price. Within three (3) days after receipt of the Earnest Money by the Title Company, $25,000 of the Earnest Money shall be released to Seller.
(b) At closing, the entire Purchase Price shall be paid in cash.

ARTICLE III.
EARNEST MONEY

3.01 For the purpose of securing performance of Purchaser under the terms and provisions of this Agreement, Purchaser shall deposit the Earnest Money with the Title Company as provided above.

ARTICLE IV.
CONDITIONS TO PURCHASER'S OBLIGATIONS

4.01 Seller, at no cost, shall reasonably cooperate with Purchaser in re-platting or re-zoning, if necessary. Any such re-platting or re-zoning will be at Purchaser's sole cost and expense.

4.02 In the event that the Property is not currently zoned to allow multi-family residential development or if site plan approval is necessary, Seller, at no cost, agrees to reasonably cooperate with Purchaser in making application with the City of Houston for a zoning change or for site plan approval, such that Purchaser will be able to develop and construct a multi-family 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 multi-family residential development with such re-zoning or approval to take effect on or before the Closing Date.

Title Insurance Commitment

4.03 The parties hereby instruct the Title Company to deliver to Purchaser and Seller (and the surveyor) within ten (10) 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 nationally-recognized title insurance company 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 within thirty (30) days after the Effective Date, Purchaser shall obtain, at Purchaser's expense, a survey of the Property (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, Purchaser and Seller, shall be substituted for Exhibit “A” attached to this Agreement.
Title Review

4.05 Purchaser shall have ten (10) days after receipt of the Survey, 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 (collectively the “Title Review Period”). 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”. Notwithstanding the foregoing, Purchaser may not object to any matter shown on the Plat.

Cure or Removal of Unpermitted Exceptions and Encumbrances

4.06 If Purchaser delivers to Seller written objections within the Title Review Period, 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 unsecured objection being also deemed a Permitted Exception).

ARTICLE V.
CONDITION OF PROPERTY
AND
FEASIBILITY PERIOD

5.01 Seller shall deliver possession of the Property 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 THE PARAGRAPH 5.02 HEREBEFOLLOWING, 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
5.03 PURCHASER ACKNOWLEDGES 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 August 31, 2019 (the "Feasibility Period") by providing Seller written notice of termination subject to the following conditions:

(a) If this Agreement is terminated by Purchaser on or before March 31, 2019, the Earnest Money will be refunded to Purchaser less $25,000.00 that Seller will retain as independent consideration for Purchaser's unrestricted right to terminate during this time. It is noted that said $25,000.00 will be paid out in accordance with Section 2.02(a).

(b) If Purchaser has not terminated this Agreement by March 31, 2019, Purchaser shall be required to deposit an additional $100,000.00 to the Title Company that shall become a part of the Earnest Money. If this Agreement is terminated by Purchaser after March 31, 2019 but prior to or on May 31, 2019, the Earnest Money will be refunded to Purchaser less $75,000.00 that Seller will retain as independent consideration for Purchaser's unrestricted right to terminate during this time.

(c) If Purchaser has not terminated this Agreement by May 31, 2019, Purchaser shall be required to deposit an additional $100,000.00 to the Title Company that shall become a part of the Earnest Money. If this Agreement is terminated by Purchaser after May 31, 2019 but prior to or on August 31, 2019, the Earnest Money will be refunded to Purchaser less $150,000.00 that Seller will retain as independent consideration for Purchaser's unrestricted right to terminate during this time.

(d) Should Purchaser not terminate this Agreement by the end of the Feasibility Period, then Seller shall be entitled to the full amount of Earnest Money of $250,000.00, which shall be non-refundable and all the Earnest Money remaining with the Title Company will be released to the Seller within three (3) business days. The Earnest Money shall be applicable to the Purchase Price.
(e) 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 besides Purchaser has or shall have on the Closing Date, as defined below, any rights in the Property, or any right to acquire the Property.

(d) As of the Closing Date, 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, or, to Seller’s actual knowledge, threatened, against the Property.

(f) From the date hereof through the 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.

(l) Any reference in this Agreement to “Seller’s knowledge” or “Seller’s actual knowledge” shall refer to the knowledge of Ronny Hecht only without any independent investigation or verification.

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.
PURCHASERS’ 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 15 days after the expiration of the Feasibility Period (the "Closing Date"). Notwithstanding the foregoing, a "table closing" shall not be required and the parties may deliver all necessary closing documents to the Title Company. General real estate taxes for the year of closing relating to the Property shall be prorated as of the original Closing Date (and not the Closing Date, as extended pursuant to Paragraph 7.02 below). 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, if applicable. Since the Property is part of a larger tract owned by Seller, Purchaser shall assume the payment of taxes for the year after closing, and thereafter.

Extension of Closing Date

7.02 Purchaser shall have the right to extend the Closing Date for three (3) additional periods of thirty (30) days each for a fee of $10,000.00 ("Extension Fee") per extension period. Notice of each extension period shall be delivered to the Seller and Title Company, along with payment of the Extension Fee to the Title Company, at least three (3) business days prior to the scheduled Closing Date, as extended. The Extension Fee shall be immediately released to Seller and be 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 basic 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 taxes incurred to remove standard exceptions from the title policy to be paid by Purchaser, and 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 the Title Company at closing, of the following documents:

(a) An executed 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.

(b) An executed Non-Foreign Certificate in accordance with Section 1445 of the Internal Revenue Code.

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

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

(e) An executed Easement Agreement as provided in Article XII

7.05 Purchaser’s Responsibilities. The obligations of Seller hereunder shall be subject to the delivery to the Title Company, at Closing, 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.

(d) An executed Easement Agreement.
ARTICLE VIII.
BREACH BY SELLER

If Seller fails to perform any of Seller's obligations under this Agreement for any reason other than (i) Purchaser's failure to tender performance of Purchaser's obligations hereunder, or (ii) an uncured default by Purchaser hereunder, then Purchaser as its sole and exclusive remedy shall elect to either: (a) terminate this Contract and Purchaser shall be entitled to prompt return of all Earnest Money and Extension Fees, if any, or (b) enforce specific performance of this Agreement against Seller. If Purchaser determines to pursue the remedy of specific performance, it must file an action therefore within sixty (60) days after the Closing Date or this remedy will be deemed waived and no longer available to Purchaser.

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. In addition, Purchaser shall deliver to Seller, within five (5) days of demand, all surveys, reports and studies relating to the Property.

ARTICLE X.
BROKERAGE FEES

Purchaser represents and warrants that it is not represented by a broker in connection with this transaction contemplated herein and thus no real estate commissions or similar fees will be due and owing to any broker representing Purchaser as a result of this transaction. Purchaser shall indemnify Seller and hold Seller harmless from and against any and all such real estate commissions or similar fees, including costs, and attorneys' fees incurred by Seller in any dispute regarding such commissions and fees by brokers claiming to have represented Purchaser. Seller represents and warrants that it is not represented by any broker in connection with the transaction contemplated except PCR Brokerage Houston, LP dba NAI Partners ("Seller's Broker") and thus no real estate commissions or similar fees will be due and owing to any broker representing Seller as a result of this transaction except Seller's Broker. Seller shall indemnify Purchaser and hold Purchaser harmless from and against any and all such real estate commissions or similar fees, including costs, and attorneys' fees incurred by Seller in any dispute regarding such commissions and fees by brokers claiming to have represented the Seller. Seller shall be responsible for the payment of a commission to Seller's Broker resulting from this transaction in the amount of four and one-half percent (4.5%) of the Purchase Price. The representations and indemnifications set forth in this section shall survive the closing.
ARTICLE XI.
MISCELLANEOUS

Assignment of Contract

Purchaser shall not have the right to assign its interest in this Agreement without obtaining the prior written consent of Seller. Notwithstanding the foregoing, Purchaser, without obtaining Seller's prior written consent, shall have the right to assign its interest in this Agreement to any entity controlled by Doak Brown, Leslie Holleman or Jeremy Sears. An assignment shall not relieve or release Purchaser of its obligations under 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. 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 and Attorney's Fees

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 Harris County, Texas. The Harris County district courts are the exclusive places of venue with respect to any litigation or other legal proceeding arising out of this Agreement. If either party institutes an action to enforce or interpret this Agreement, the prevailing party shall be entitled to receive from the losing party all reasonable attorneys' fees and court costs in connection with said action.

Parties Bound

This Agreement 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 Agreement.
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 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. PDF and electronic copies of signature pages to this Agreement are effective as original signatures.

Like-Kind Exchange

Seller or Purchaser may consummate the sale or purchase of the Property as part of a so-called like-kind exchange (the "Exchange") pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended, provided that (a) all costs, fees and expenses attendant to the Exchange shall be the sole responsibility of the party executing such exchange; and (b) the closing shall not be delayed or adversely affected by reason of the Exchange nor shall the consummation or accomplishment of the Exchange be a condition precedent or condition subsequent to the parties' obligations and conditions under this Agreement. Any party executing
an Exchange agrees to defend, indemnify and hold the other harmless from any liability, damage or cost, including, without limitation, reasonable attorney's fees that may result from the other party's acquiescence to the Exchange. Neither party shall, by reason of the Exchange, (i) have its rights under this Agreement, including those which survive closing, adversely affected or diminished in any manner, or (ii) be responsible for compliance with or be deemed to have warranted to the other party that the Exchange in fact complies with Section 1031 of the Internal Revenue Code of 1986, as amended. Both parties remain liable to the other to fulfill all its respective obligations under this Agreement after such assignment.

ARTICLE XII
UTILITY EASEMENT

At closing, the parties shall record a non-exclusive Easement Agreement (the "Easement Agreement") whereby Purchaser obtains access across Seller's adjacent property as shown on Exhibit "C" for underground sewer and water lines to connect to the sewer and water lines on Anderson Road and Seller obtains access across the Property as shown on Exhibit "A" to Seller's remaining property from the Plat. The location, terms and contents of the Easement Agreement shall be mutually agreed to between Seller and Purchaser prior to expiration of the Feasibility Period.

[Remainder of page intentionally left blank.]
SELLER:
ROCKWELL PARTNERS, LLC
By: Rommy Hecht
Name: Rommy Hecht
Title: Manager

ADDRESS OF SELLER:
4308 Gibson, 3rd Floor
Houston, TX 77007
Phone: 713-457-1923
Email: rommy@urbanmeridian.com

PURCHASER:
BROWNSTONE VENTURES, LLC
By: Doak Brown, Manager

ADDRESS OF PURCHASER:
Attention: Doak D. Brown
6517 Mapleridge
Houston, Texas 77081
Phone: 713-432-7727
E-mail: doak@thebrownstonegroup.net

Receipt of a fully executed copy of this Agreement is hereby acknowledged as of the date hereinafter set forth which date shall be the Effective Date of this Contract.

Dated: January 6, 2019 (the "Effective Date")

TITLE COMPANY:
ALAMO TITLE COMPANY
By: [Signature]
Name: [Name]
Title: [Title]
EXHIBIT “A”

DESCRIPTION OF THE PROPERTY
EXHIBIT "B"

SPECIAL WARRANTY DEED

THE STATE OF TEXAS § KNOW ALL MEN BY THESE PRESENTS

COUNTY OF __________ §

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 benefiting 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.

EXHIBIT "B" – 1
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 is assumed by Grantor. Ad valorem taxes for 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

EXHIBIT “B” – 2

Site Location