Semper and Mcleod

PURCHASE & SALE AGREEMENT

Dated: April 2, 2024

1. **Parties**. The parties hereto are as follows:

*Seller:* JM Texas Land Fund No. 5, L.P. a Texas Limited Partnership

Mailing Address:

9200 Richmond Ave, Suite 100, Houston, Texas 77040

seller@seller.com (e-mail)

*Copy To:*

Attn.: Steve Seller

seller@seller.com (e-mail)

*Buyer:* LDEV 668, Ltd., a Texas Limited Partnership

Mailing Address:

9201 Richmond Ave, Suite 100, Houston, Texas 77040

buyer@buyer.com (e-mail)

*Copy To:*

Attn.: Bob Buyer

buyer@buyer.com (e-mail)

2. **Real Property**. Seller agrees to sell and Buyer agrees to purchase the following described real property in Harris County, Texas, subject to the terms outlined herein:

Approximately 24.127 acres located in Harris County, (the “City” or “County”), Texas as depicted in Exhibit A attached hereto. The exact legal description of the property being purchased by Buyer will be determined by survey as provided in Paragraph 9 hereof (the “Property”).

3. **Purchase Price**. The total purchase price for the Property shall be approximately $2,101,945.00 (Two Million One Hundred One Thousand Nine Hundred Forty-Five Dollars and No One-Hundredths) based upon Buyer paying to Seller $87,120.00 for each Gross Acre. Should the survey show the Gross Acreage of the Property to be more or less than 24.127 acres, the Purchase Price shall be adjusted upward or downward, as the case may be, to reflect the actual number of acres purchased by Buyer multiplied by $87,120.00 per Gross Acre.

4. **Earnest Money**. Within ten (3) days of the Effective Date of the Agreement, Buyer shall deposit Twenty-Five Thousand Dollars ($25,000.00) with the Title Company as earnest money (the "Initial Earnest Money"). The Initial Earnest Money shall be held in escrow by Charter Title Company (“Title Company”). If this Agreement is not terminated prior to the Due Diligence Expiration Date, the Initial Earnest Money shall automatically become nonrefundable and immediately released by the Title Company to Seller without further action from Buyer, and Seller shall credit such amount against the Purchase Price at the closing of the transaction contemplated by this Agreement (the “**Closing**”) unless Seller defaults on its obligations under this Agreement beyond applicable notice and cure periods set forth herein. In the event Buyer terminates this Agreement prior to the Due Diligence Expiration Date, the Initial Earnest Money shall automatically be refunded and immediately released by the Title Company to Buyer without further action from Seller.

Unless prior thereto, Buyer has terminated this Agreement pursuant to Paragraph 11 hereof, on the date occurring Ninety (90) days after the Effective Date (the “Due Diligence Expiration Date”), Buyer shall pay to Seller the sum of Fifty Thousand Dollars ($50,000.00) cash or other good funds (the “Additional Earnest Money”). The Initial Earnest Money and Additional Earnest Money are hereinafter referred to as the “Earnest Money”. Once paid, the Additional Earnest Money shall be nonrefundable to Buyer for any reason other than Seller’s default under this Agreement or other circumstances specified herein. The Earnest Money shall be applicable to the Purchase Price payable by Buyer at closing.

Charter Title Company

668 San Felipe, Suite 668, Houston, TX 77027

Title Officer: Kim Land

5. **Closing Date**. The closing shall take place on the date occurring fifteen (15) Business Days (as used herein, the term “Business Days” shall mean all days occurring other than any Saturday, Sunday or National Holiday) after the Due Diligence Expiration Date, or sooner, at Buyer's option (the “Closing Date”). Buyer may extend the Closing for a period of 15 days (“Extension Period”) provided that Buyer deposits an additional $50,000 “Additional Earnest Money”, which upon deposit with Title Company will not be refundable. The First Additional Earnest Money will be credited to the Purchase Price of the Property at Closing.

6. **Obligations of Parties at Closing**. At closing:

(a) Seller shall:

i) Execute and deliver a recordable Warranty Deed to the Property.

ii) Provide a Seller's Affidavit concerning the absence of judgments, mechanics' liens and unrecorded interests.

iii) Make any payments as required under this Agreement.

iv) Deliver and record all documents necessary to clear title.

v) Provide any documents required by the IRS including a form 1099B and/or FIRPTA affidavit.

1. Deliver all documents required to show that Seller has properly approved this conveyance and that all requisite authority has been given.

(b) Buyer shall:

i) Make the necessary payments as required under this Agreement.

ii) Deliver all resolutions or other documents required to show that Buyer has properly approved this conveyance and that all requisite authority has been given.

7. **Title**. At closing, Seller agrees to deliver marketable title to the Property by Warranty Deed subject only to:

(a) Easements of record that do not materially and adversely affect Buyer's contemplated usage of the Property, which determination shall be made by Buyer's engineers in the event of a dispute between the parties.

(b) Reservations of minerals or mineral rights by the State of Texas, if any.

(c) Building, zoning and subdivision laws, ordinances and regulations, that allow for completion of Buyer's improvements which determination shall be made by the City in the event of a dispute between the parties (hereinafter "Permitted Encumbrances").

8. **Evidence of Title**. No later than thirty (30) days after the Effective Date, Buyer at Buyer’s expense, cause to be prepared a Title Insurance Commitment (the “Title Commitment”). The Title Commitment shall cover the entire Property and be issued bythe Title Company. The Title Commitment shall:

1. list Buyer as the proposed insured;
2. set forth requirements necessary for removal of the so-called "standard exceptions" related to parties in possession, and liens for labor, materials and services;
3. set forth requirements necessary for issuance of affirmative insurance regarding appurtenant easements, separate real estate taxation and contiguity in the amount of the Purchase Price; and
4. include complete and accurate copies of all matters described in Schedule B-II thereof.

Buyer shall have twenty (20) days after receipt of Title Commitment for examination and the making of any objections to the marketability of title, such objections to be made in writing or deemed to be waived. Seller shall have five (5) days after receipt of the Title Objection Letter to notify Buyer of Seller’s intent to cure any objections. Any matter shown on Title Commitment and not objected to by Buyer shall be a Permitted Encumbrance. If any objections are so made, Seller shall be allowed sixty (60) days to make title marketable (the “Cure Period”). Seller shall use Seller's best efforts to make title marketable as expeditiously as possible. If such defects are remedied within the Cure Period, Buyer shall be notified in writing of the curing of such defects, in which case the parties shall proceed to perform in accordance with the terms of this Agreement. If the title is not marketable and cannot be made marketable within the Cure Period, unless Buyer shall waive all objections in writing, the Agreement shall be null and void and the Earnest Money shall be refunded to Buyer. If Buyer chooses to waive all objections, the parties shall proceed to closing according to the terms of this Agreement. If notification by Seller of the fact that a title defect has been cured or notification by Buyer that it has waived all objections occurs at a point in time that is less than fifteen (15) days prior to the Closing Date, then closing shall be delayed until the date occurring thirty (30) days after such notification. If the Closing Date passes during the Cure Period and Seller cures all title defects prior to the end of the Cure Period, the Closing Date shall be the date occurring ten (10) days after expiration of the Cure Period.

Buyershall pay all title insurance premiums due for issuance of the Title Policy.

9. **Survey**. Buyer shall, at Buyer’s sole cost and expense, shall within (15) days of the Effective Date of this Agreement, cause to be prepared by a surveyor registered under the laws of the State of Texas a survey of the Property in accordance with the “Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys” as jointly established and adopted by ALTA, ACSM and NSPS in 1999 (the “Survey”). Such Survey shall be certified to Buyer and Charter Title Company(“Title Company”) and shall show total acreage and square footage, net acreage (meaning net of currently existing dedicated roads and highways) all improvements on the Property, including fencing, all easements, encroachments, and utility rights upon the Property, showing the location of adjoining public streets so as to affirmatively show rights of ingress and egress to and from the Property. Buyer shall have twenty (20) days after receipt of the latter of (i) Buyer’s Commitment, and (ii) the Survey to examine said Survey and to make objections to title based on the Survey and the rights of the parties shall be the same as stated in Paragraph 8 above. Seller shall have five (5) days after receipt of the Survey Objection Letter to notify Buyer of Seller’s intent to cure any objections.

10. **Seller’s Deliveries**. Seller shall provide Buyer, within five (5)days following the Effective Date, the following documents to the extent said documents are in Seller's possession:

(a) Existing title reports and title policies relating to portions or all of the Property.

(b) A copy of all underlying financing currently existing on the Property or any portion thereof, including mortgages, contracts for deed, leases or options.

(c) Any and all documents and information available to Seller relating to any substances defined as toxic or hazardous under state or federal laws or regulations affecting the Property. This shall include such substances regulated under state and federal law including the following:

i) Underground storage tanks;

ii) Asbestos;

iii) PCB's;

iv) Lead-based paint;

v) Urea formaldehyde;

vi) Radon;

vii) Industrial/domestic waste; and

viii) Any other toxic or hazardous substances.

(d) A copy of all surveys relating to the Property.

(e) A copy of any special use or conditional use permits currently applicable to the Property.

(f) Geotechnical Evaluation Reports.

1. 79(G) Reports.
   1. **Buyer's Contingencies**. Buyer's obligation to close on the Property is specifically contingent upon Buyer being satisfied, at Buyer’s sole cost and expense, with each of the following matters on or before the date stated herein:

(a) Buyer's investigation and approval of the physical condition of the Property, including an environmental assessment of the Property. Buyer shall only withhold approval if Buyer reasonably believes the physical condition of the Property makes its development of the Property economically unfeasible. To this end, Buyer may enter upon the Property for the purpose of making soil tests, environmental tests including soil boring, and other tests necessarily contemplated by its proposed development of the Property, provided that Buyer shall hold Seller harmless from any and all liens therefrom. Buyer shall not be entitled to make any improvements upon the Property prior to closing.

Buyer will pay promptly, when due, all charges incurred by it for labor, materials, services or other items for which liens may be filed or assessed against the Property, but, if for any reason whatsoever any mechanic's liens are filed, Buyer shall take immediate steps to have same satisfied of record. However, in the event Buyer in its judgment deems a mechanic's lien to be unlawful or unjustified, it shall have the right to contest the validity of such lien or liens by court action, if necessary, provided that during the period that such mechanic's lien or liens remain on record, Buyer shall pay such sums into court as are required under and cause the Property to be released from such lien.

Buyer shall hold Seller harmless from any and all claims, including damage to the Property arising out of any entry upon the Property by Buyer or its agents or employees. Buyer shall restore any damage to the Property resulting from such activity at its expense.

If requested, Buyer shall provide liability insurance equal to One Million Dollars ($1,000,000.00) and shall name Seller as an additional named insured.

(b) Buyer intends to develop the Property for residential use. Buyer shall prepare where necessary, at its own expense, a Preliminary Plan of Development for the Property and Preliminary Engineering therefore, for development and use of the Property for residential purposes under the Ordinances of the City and/or County for a project of residences (the “Preliminary Plat”), and obtain approval of such Preliminary Plat by the City.

(c) Approval of the purchase of the Property by Buyer's corporate headquarters.

Buyer shall exert timely and diligently make efforts to accomplish the objectives set forth above, but shall not be required to resort to litigation, or to make contributions or dedications (other than the normal contributions for schools and parks called for under the City's Subdivision Ordinance) or to install off-site improvements not agreeable to Buyer as a condition to accomplishing such objectives. Seller and/or the owner of the Property shall cooperate with Buyer, including, if appropriate, joining such applications, petitions, agreements, and similar procedures, including, specifically, joinder in a plat for the entire Property, to be prepared by Buyer at Buyer's expense; provided that Seller shall not be required thereby to undertake or pay any liability, obligation, fee or expense, or to undertake any affirmative obligations (unless the Seller and/or the owner of the Property shall become a developer of the Property) such joinder being intended solely for the purpose of satisfying the applicable laws and ordinances with respect to the owner of record joining in any such applications, petitions, agreements and procedures.

Buyer shall have until 5:00 p.m. on the Closing Date to exercise the contingencies set forth above. Should Buyer exercise any such contingency, this Agreement shall immediately become null and void. Nothing contained herein shall in any way restrict Buyer's right to terminate this Agreement pursuant to Paragraphs 8 and 9 hereof.

12. **Seller's Representations**. Seller hereby represents and warrants as follows:

(a) Seller is currently the owner or contract purchaser of the Property, subject only to the Permitted Encumbrances, except mortgage or contract for deed financing on the Property, which will be paid in full on the Closing Date.

(b) Seller has the full and complete authority to sell the Property and the person executing this Agreement on behalf of the Seller has full and complete authority to do so.

(c) The Property has not been cited as being in violation of any local ordinances and if any citations are issued prior to closing, Seller will take the necessary curative action in connection with such citations.

(d) From the date hereof through closing, Seller shall not create, suffer or assume any new or additional encumbrances on title to the Property.

(e) There are no actions, suits or proceedings pending or threatened against Seller which would adversely affect the title or interest of Seller to or in the Property.

(f) This Agreement, including the Exhibits attached hereto, does not include any untrue statement of a material fact or omit a statement of material fact necessary to make the statements made or to be made not misleading. Seller shall update any such statements as of the closing date, if necessary, to make them complete or accurate.

(g) There are no special understandings or agreements between Seller and the County in which the Property is located or the City (or any other governmental authority) limiting or defining (i) the use and development of the Property, (ii) the construction of improvements thereon, (iii) the availability to the Property of public improvements and municipal services, (iv) any requirement to share in the cost thereof by recapture, contribution, special assessment or otherwise, (v) any requirement to contribute in land or in cash to any school, library, park or other sort of county, municipal or governmental district or body (it is understood that the provisions of the Subdivision Ordinance of the City calling for the normal contributions for schools and parks is not a "special understanding or agreement" covered by this warranty), or (vi) any other matter in relation to the zoning, subdivision and development of the Property; or if there are, all such obligations thereunder shall have been performed and satisfied in full by Seller prior to the closing of the Property.

1. There are no parties in possession of the Property, nor are there any parties with possessory rights in the Property other than Seller and/or the owner of the Property.

(i) Seller hereby incorporates by reference and remakes any warranties and representations which are made elsewhere in this Agreement.

These representations are true as of the date hereof and will be true as of the date of closing and they shall survive the closing.

13. **FHA, VA or FNMA Financing**. The parties acknowledge that Buyer may intend to cause the development of the Property to qualify with and be approved by the Federal Housing Authority (FHA), the Veterans Administration (VA) and/or the Federal National Mortgage Association (FNMA) so that FHA or VA shall commit to provide guarantees for end mortgage loans made to persons who shall purchase dwelling units constructed thereon, and so the FNMA can provide assurances that the end mortgage loans made to persons who shall purchase dwelling units constructed thereon can be purchased on the secondary market. Seller and/or the owner of the Property shall, at any time and from time to time during the period of this Agreement, when required by Buyer, join in such applications for preliminary and final approvals as may be made by Buyer to FHA, VA or FNMA, provide such information or assistance as may be necessary for such applications to be processed and acted upon, and take such other reasonable steps and actions as may be necessary for such approvals to be given and kept in effect. No act taken by Seller under this paragraph shall require Seller and/or the owner of the Property to assume or perform any undertaking or obligation and Buyer shall indemnify and hold Seller and/or the owner of the Property harmless from any claims made against Seller or the owner of the Property by reason of any act taken by Seller or the owner of the Property and requested by Buyer under this paragraph.

14. **Estoppel Letters**. The parties hereto agree during the term of this Agreement upon request of the other party hereto to provide an estoppel letter setting forth the existence of this Agreement or option, any known defaults of the other party hereto and the status of contingencies contained herein.

15. **Hazardous Substances**.

(a) *Definitions.*

i) "Hazardous Substance" means a hazardous substance or waste, a toxic substance, polychlorinated biphenyls, asbestos or related materials and also includes, but is not limited to substances defined as "hazardous substances" in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et seq., Hazardous Materials Transportation Act, 49 U.S.C. Sec. 6901, et seq., or as "hazardous substance", "hazardous waste" or "pollutant or contaminant" in the Environmental Response and Liability Act, Stat. Sec. et seq.

ii) Hazardous Substance Claim ("Claim") means discovery of Hazardous Substance on or under the Property or receipt of a notice, claim, demand or complaint, including notice or imposition of a "super fund" line, from any federal, state or local government agency or office or from any third party seeking, pursuant to federal, state or local law, the performance of response action(s) and/or the payment of damages, costs or expenses arising out of the release or threatened release of a Hazardous Substance deposited on or under the Property prior to the time that Buyer becomes an owner of the Property, including but not limited to, legal, engineering, testing and other fees.

iii) Hazardous Substance Liability ("Liability") means the occurrence of a claim, and all damages, costs and expenses in connection therewith, including but not limited to legal, investigating, engineering, testing and other fees, and including a final determination or judgment entered or agreed upon.

(b) *Pending Actions/Environmental Audit*. Seller shall provide to Buyer any previous, current or pending court actions or regulatory actions, environmental audit information, if any, and other such information regarding hazardous waste soil or ground water contamination on or around the Property.

(c) *Representation and Warranties.* Seller represents and warrants that, to the best of Seller's knowledge, the Property is free from Hazardous Substances other than the Fuel Oil Tank of releases therefrom and is not subject to any Claim. Seller has not received any notice nor is Seller aware of any notice having been given to prior owners of the Property from federal, state or local governmental agencies or other third parties of any claim or advising of any pending or contemplated search or investigation of the Property or any portion thereof with respect thereto.

(d) *Indemnification.* If Seller is found to be in breach of the warranty set forth in subsection (c) immediately above, Seller shall at all times indemnify and hold Buyer harmless from and against all liability which Buyer may, at any time, sustain or incur by reason of such breach, including, but not limited to the costs of removing, remediating or otherwise responding to a Claim. Seller shall pay, upon demand by Buyer, the amount of any Liability paid or incurred by Buyer to the extent caused by Seller's breach. Seller shall satisfy and discharge any judgment recovered against Buyer or the Property by reason of such Liability to the extent caused by Seller's breach promptly after the entry thereof, unless an appeal is taken and any bonds required to stay the collection thereof are procured and filed by Seller. If a final judgment is entered against Buyer or the Property after appeal, Seller shall satisfy and discharge such judgment, to the extent caused by Seller's breach. Buyer may, in its reasonable discretion, make any payment as required pursuant to the preceding sentence, and Seller shall promptly repay to Buyer the amount of such payment, with interest at 9% per annum. Notwithstanding the foregoing, Buyer agrees it shall provide reasonably prompt notice to Seller upon its receipt of notice of a Claim and Seller shall have a reasonable opportunity to respond or contest such a Claim and manage any plan of remediation, litigation or settlement in connection therewith.

(e) If, after expiration of Buyer’s contingency contained in Paragraph 11(a) herein, Buyer discovers Hazardous Substances on the Property, or if there is a change in the condition of the Property with regard to Hazardous Substances prior to either Phase closing, Buyer may, at its option, terminate this Agreement and all Earnest Money shall be refunded to Buyer.

16. **Buyer's Representations**. Buyer hereby represents and warrants that Buyer has the full and complete authority to enter into this Agreement and the person executing this Agreement on behalf of the Buyer has full and complete authority to do so.

17. **Real Estate Taxes and Assessments**. Seller agrees to pay any and all real estate taxes plus penalty and interest due and payable in all years prior to the year of closing for the Property at the time the Property is conveyed, if not sooner paid. The real estate taxes due and payable in the year of closing shall be prorated to the actual Closing Date. Seller shall pay all special assessments or similar governmental charges that are pending, levied or deferred on the Property as of the Closing Date. Buyer shall assume any special assessments that become pending or are levied against the Property after the Closing Date. Seller shall be responsible for property taxes, if any, associated with the change in use of the property. At Closing, Buyer shall receive a credit to the Purchase Price equal to the estimated taxes incurred based on the change of land use (Ag Roll-Back Taxes). The amount of the Ag Roll-Back Taxes will be based on a change of land use as of the Closing Date.

18. **Condemnation; General Provisions**. If the Property is taken or if there is a threat of taking by eminent domain prior to the scheduled closing, this Agreement shall become null and void at Buyer's option. If Buyer elects to declare the Purchase Agreement null and void, Buyer shall notify Seller in writing and all earnest money shall be promptly refunded to Buyer. If Buyer elects to continue with its obligations under the Agreement, Buyer shall bear all costs relating to any negotiations with, or condemnation proceeding brought by such party pursuing the taking in the connection with the Property and shall be entitled to retain any payments, awards or proceeds paid pursuant to or arising in connection with the same to the extent they are paid on or after the actual Closing Date. If any monies are paid as a result of eminent domain prior to the actual Closing Date, they shall be placed in escrow with Charter Title Company(“Title Company”) and disbursed to Buyer upon Buyer’s purchase of the Property or to Seller should the Buyer not close with Seller on the Property.

19. **Condition of Property**. Seller shall remove from the Property all refuse, debris and personal property prior to the Closing Date. Buyer shall then be responsible for the cost of removing any or all structures, including foundations, which remain. Seller shall maintain the Property during the term of this Agreement in substantially the same condition as exists on the date of this Agreement.

20. **Survival of Terms**. To the extent necessary to carry out the terms of this Agreement, this Agreement shall survive the closing of the transaction contemplated herein.

21. **Default**. If either party defaults, the rights of the parties are as follows:

(a) If Seller defaults, Buyer’s sole remedy shall be the right to seek specific performance of this Agreement, provided such action is commenced within six (3) months of such default.

(b) If Buyer defaults, Seller’s sole remedy shall be the right to terminate this Agreement and to retain all Earnest Money that has previously been paid and become nonrefundable to Buyer.

22. **Agent**. Buyer represents that it has utilized the services of Coldwell Companies (“Brokers”) in this transaction, and Seller represents that it has utilized the services of CDRE (“Brokers”). Seller shall pay all brokerage commission related this Agreement. Except for CDRE (Seller) and Coldwell Companies (Buyer), Buyer and Seller represent that no other broker(s) have been a procuring cause in the consummation of this transaction. Each party hereby agrees to indemnify and hold the other harmless from any and all claims made by any party through them for a real estate commission or fee in connection with this transaction other than for those parties specifically mentioned herein.

23. **Costs; Fees of Attorneys/Consultants**. At the closing, Buyer shall be responsible for all costs required for the issuance of any title policy, mortgage registration tax, recording fees and one-half of the closing fee charged by Title Company. Seller shall be responsible for payment of the state deed tax, the costs of abstracting/issuance of Seller’s commitment, and one-half of the closing fee charged by the Title Company. Each party shall be responsible for payment of its own attorneys' fees and costs and the fees and costs of any consultant such party may engage. Buyer shall be responsible for all costs incurred by Buyer in developing the Property including, without limitation, recording of any Final Plat(s), extension of utilities and roads into the Property, user fees, dedication fees, utility access fees and assessments caused by said development.

24. **Affidavit Regarding Foreign Transferor**. At the closing, Seller shall deliver to Buyer either:

(a) An affidavit satisfying the requirements of Section 1445A of the Internal Revenue Code and rules and regulations promulgated thereunder ("Section 1445A"); or

(b) A qualifying statement from the U.S. Treasury Department that the transaction contemplated herein is exempt from the withholding tax requirement imposed by Section 1445A.

In the event that Seller fails to deliver either the affidavit or the qualifying statement as aforesaid or in the event Seller delivers such affidavit or qualifying statement and Buyer has reason to believe that such affidavit or qualifying statement is false or incorrect, Seller agrees that Buyer may, at Closing, deduct and withhold from the proceeds that are due to Seller the amount necessary to comply with the withholding tax requirement imposed by Section 1445A. Buyer shall deposit the amounts so withheld pursuant to terms and conditions acceptable to Seller and Buyer, but in any event complying with Section 1445A.

25. **Notices**.  Any notices required or contemplated hereunder shall be effective (a) when delivered personally, (b) when received by delivery or courier service or electronic mail communication with return receipt requested , or (c) two (2) business days after being deposited postage pre-paid in the United States mail (sent certified or registered mail, return receipt requested), in each case to the address of the respective party specified herein (or to such other address a party may designate in the manner set forth herein for the giving of notices). Notwithstanding the foregoing, written notice by electronic mail communication shall be permissible and shall be deemed given upon transmission by the party giving notice.

Copy to Seller’s Attorney: Seller Law Firm, PLLC.

9200 Richmond Ave, Suite 100, Houston, Texas 77040

Attn.: Ms. Seller Attorney, [selleratty@selleratty.com](mailto:selleratty@selleratty.com)

Copy to Buyer’s Attorney: Buyer Law Firm, PLLC.

9201 Richmond Ave, Suite 100, Houston, Texas 77040

Attn.: Mr. Buyer Atty, buyeratty@buyerlaw.com

26. **Possible Like-Kind Exchange.** Seller hereby represents, and Buyer acknowledges, that Seller may desire to structure the transaction evidenced hereby as part of an exchange of properties of like-kind within the contemplation of Section 1031 of the Internal Revenue Code. Buyer hereby agrees to cooperate with Seller in structuring such a like-kind exchange provided that; (i) such cooperation shall be without cost or expenses to Buyer; (ii) Seller shall structure the transaction as an exchange agreement involving a "Qualified Intermediary" as defined in the regulations issued under Section 1031 of the Internal Revenue Code; (iii) Buyer shall receive notice of the proposed structure of the transaction and the identity and organizational form of the Qualified Intermediary and a copy of any exchange agreement or other agreements pertinent to the transaction at least fifteen (15) days prior to the Closing Date; (iv) the structure of the transaction (A) shall not require Buyer to hold title (as a conduit or otherwise) to any property other than the Property, and (B) shall be designated so that the Purchase Price hereunder is paid to Seller or Seller's designee on the Closing Date; and (v) nothing herein shall obligate the Buyer to take any action which Buyer believes, in its sole discretion, adversely affects Buyer's tax position; does not have a reasonable basis in the law; will place Buyer in the position of possessing any legal, equitable or beneficial ownership in any real property involved in the exchange other than the Property; or requires actions on the part of Buyer which cannot reasonably be accomplished by Buyer within the time frame necessary for the transaction to qualify as a like-kind exchange. Buyer makes no representations or warranties that the Seller's proposed transaction will qualify as a like-kind exchange under Internal Revenue Code Section 1031 and applicable regulations thereunder.

27. **Escrow**. Title Company is authorized and agrees by acceptance thereof to promptly deposit the Earnest Money as provided herein and to hold same in escrow and to disburse the same in accordance with the terms and conditions of this Agreement. The Earnest Money shall be (i) paid to Seller at closing; (ii) returned to Buyer in the event that the transaction contemplated herein does not close and Buyer is not in default under this Agreement, exclusively upon Title Company receiving written notice signed by Buyer and Seller directing such payment or refund of the Earnest Money or upon receiving from either party a certified copy of a final judgment of a court of competent jurisdiction ordering disposition of the Earnest Money; or (iii) paid to Seller pursuant to Paragraph 21(b) hereof in the event Buyer is in default under this Agreement and such default has not been cured prior to statutory cancellation of this Purchase Agreement by Seller. The sole duties of Title Company shall be those described herein, and Title Company shall be under no obligation to determine whether the other parties hereto are complying with any requirements of law or the terms and conditions of any other agreements among said parties. Title Company may conclusively rely upon and shall be protected in acting upon any notice, consent, order or other document believed by it to be genuine and to have been signed or presented by the proper party or parties to this Agreement. Title Company may consult the advice of counsel with respect to any issue concerning the interpretation of its duties hereunder. Buyer and Seller hereby acknowledge such fact and indemnify and hold harmless Title Company from any action taken by it in good faith in reliance thereon. Title Company shall have no duty or liability to verify any such notice, consent, order or other document, and its sole responsibility shall be to act as expressly set forth in this Agreement. Title Company shall be under no obligation to institute or defend any action, suit or proceeding in connection with this Agreement unless first indemnified to its satisfaction. If any dispute arises with respect to the disbursement of any monies, Title Company may continue to hold the same or commence an action in interpleader and in conjunction therewith remit the same to a court of competent jurisdiction pending resolution of such dispute, and the parties hereto hereby indemnify and hold harmless Title Company for any action taken by it in good faith in the execution of its duties hereunder. The parties hereto agree that there may exist a potential conflict of interest between the duties and obligations of Title Company pursuant to this Agreement and as insurer of the title to the property after sale from Seller to Buyer. The parties hereto acknowledge such potential conflict of interest arising as a result of the exercise of its duties hereunder and in determining whether it can give its irrevocable commitment to insure title. Title Company shall execute this Agreement solely for the purposes of acknowledging this Paragraph 27. Title Company shall not be bound by any other terms or conditions of this Agreement, and this Agreement shall be deemed binding and effective on the date it has been executed by both Buyer and Seller even though signature by Title Company may not yet have occurred.

28. **Agreement as Offer**. It is understood that this Agreement constitutes an offer to purchase until executed by Seller. Seller shall have until 5:00 PM CST April 4, 2024 to accept this offer at which time, if not accepted, this offer shall become null and void unless ratified in writing by Buyer.

29. **Moratorium**. In the event the City or any other governmental agency shall declare or effect a moratorium during the term of this Agreement on building permits or development which affects the Property, then all dates set forth in this Agreement shall be extended for the same period as the moratorium shall be in effect.

30. **Headings**. The section and paragraph headings contained herein are for purposes of convenience only and are not intended to define or limit the contents of such section or paragraph.

31. **Cooperation**. Each party hereto shall cooperate in a timely manner, shall take such further action, and shall execute and deliver such further documents as may be reasonably requested by any other party in order to carry out the provisions and purposes of this Agreement.

32. **Governing Law**. This Agreement shall be deemed to be a contract under the laws of the State of Texas and for all purposes shall be construed and enforced in accordance with the laws of such State.

33. **Successors and Assigns**. This Agreement shall be binding upon the parties along with their successors, heirs, executors, administrators, assignees, lessees, and transferees of any kind. Seller shall not assign its rights and obligations hereunder. Upon giving prior written notice to Seller no less than fifteen (15) business days prior to the Closing Date, Buyer shall be permitted to assign its rights and obligations hereunder.

34. **Entire Agreement**. This document contains the entire agreement of Buyer and Seller with respect to the Property. Any modification of this Agreement must be made in writing and signed by Buyer and Seller. This Agreement supersedes and revokes all prior agreements or representations by and between Buyer and Seller, whether written or oral.

35. **Effective Date**. The effective date of this Agreement shall be the date on which it is last executed by both Buyer and Seller (the “Effective Date”).

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on date appearing underneath their signatures.

**SELLER:** **BUYER:**

By: Steve Seller By: Bob Buyer

Its: JM Texas Land Fund No. 5, L.P Its: LDEV 668, Ltd. a Texas Limited

a Texas Limited Partnership a Texas Limited Partnership

Dated: March 23, 2023 Dated: March 23, 2023

As to Paragraph 27 hereof only:By: Kim Land

Its: Charter Title Company

Dated: March 23, 2023

**EXHIBIT A**

**PROPERTY DESCRIPTION**

Approximately 24.127 acres of land situated in the W. Salyars Survey, Abstract 1532, Harris County, Texas Being a partial replat of the Lucky Hit Orange Development Colony, A subdivision recorded in Volume 2, Page 39, Map Records of Harris County, Texas.