

## PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this “**Agreement**”) is entered into as of the Effective Date between Seller and Buyer.

1. **Basic Terms.** The following terms apply to this Agreement:

“ <b>Seller</b> ”:	Tarrant County Hospital District d/b/a JPS Health Network, a Texas governmental entity
“ <b>Buyer</b> ”:	Preferred Real Estate Investments, Inc., a Texas corporation, or its successors and assigns
“ <b>Property</b> ”:	The property as more particularly described in <b>Section 2</b> below.
“ <b>Title Company</b> ”:	Capital Title of Texas, LLC, Attention: Stacie Taylor, Telephone: 214-265-7979 , Email: staylor@ctot.com , 8222 Douglas Avenue, Suite 570, Dallas, Texas 75225
“ <b>Purchase Price</b> ”:	\$4,300,000
“ <b>Earnest Money</b> ”:	\$43,000
“ <b>Effective Date</b> ”:	The date this Agreement is executed by the later to sign of Buyer or Seller, as indicated on the signature pages of this Agreement. If either Buyer, Seller or both do not date the signature page, the Effective Date is the date indicated on the signature page of Title Company.
“ <b>Inspection Period</b> ”:	90 days after the Effective Date, as the same may be extended pursuant to <b>Section 5.b.</b> below.
“ <b>Closing Date</b> ”:	The first Business Day that is 30 days after the expiration of the Inspection Period.

2. **Sale and Purchase.** Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase and accept from Seller, the following (collectively, the “**Property**”):

Approximately 7.329 acres of unimproved real property (which acreage is to be more particularly determined by survey as provided in this Agreement) generally located at 1700 E. Interstate 20 in Arlington, Texas 76018, as more particularly described on **Exhibit A** (the “**Land**”), and all buildings, structures, and fixtures presently situated on the Land, if any (collectively, the “**Improvements**”), together with all right, title and interest of Seller, if any, to (i) all easements, licenses, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, appurtenant to and used in connection with or pertaining to the Improvements and Land; (ii) any strips or gores of real property between the Land and abutting or adjacent properties; (iii) all minerals, royalties, gas rights, water, water rights, timber and crops pertaining to the Land; and (iv) all appurtenances and all reversions and remainders in or to the Land.

3. **Property Information.**

a. Title Company shall deliver to Seller and Buyer and their respective counsel the following documents and information regarding the Property no later than fifteen (15) days after the Effective Date:

(1) a current commitment for title insurance (the "**Title Commitment**") for the Property from the Title Company in the amount of the Purchase Price, with Buyer as the proposed insured; and

(2) true, complete and legible copies of all documents referenced in the Title Commitment as exceptions to title to the Property and tax certificates.

b. Seller shall deliver or make available (via an electronic data room or in physical files at the office of Seller) to Buyer those items more particularly described on **Schedule 1**, but only to the extent any of such items are in Seller's actual possession or control and pertain to the Property (collectively, the "**Seller Documents**"), no later than five (5) days after the Effective Date. Seller shall reasonably cooperate with Buyer and provide any other materials Buyer might reasonably request that is available at no additional cost to Seller, which such additional materials, if delivered, will be deemed a part of the Seller Documents. Notwithstanding anything to the contrary herein, the Seller Documents will not include materials believed to be legally-privileged communications, proprietary information of Seller, financial or economic analyses of the Property prepared by or for Seller, any documents related to Seller's purchase of the Property, nor any recorded documents that should be delivered by the Title Company. **BUYER AGREES THAT BUYER SHALL RELY ON THE SELLER DOCUMENTS, INCLUDING, WITHOUT LIMITATION, ANY EXISTING ENVIRONMENTAL AND SOILS REPORTS, IF ANY, AT BUYER'S OWN RISK, AND SELLER HEREBY DISCLAIMS ANY WARRANTY OR REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THE SELLER DOCUMENTS, AND SELLER DOES NOT REPRESENT OR WARRANT THAT ANY MATERIALS MADE AVAILABLE TO BUYER CONSTITUTE ALL MATERIALS OR INFORMATION IN SELLER'S POSSESSION RELATING TO THE PROPERTY. SELLER DOES NOT HAVE, AND SHALL NOT HAVE, ANY DUTY TO ADVISE BUYER OF ANY MISREPRESENTATIONS, MISSTATEMENTS, MISTAKES, ERRORS OR OTHER INACCURACIES CONTAINED IN ANY OF THE SELLER DOCUMENTS.** In the event that this Agreement is terminated for any reason, Buyer will immediately return to Seller all copies of the Seller Documents, or at Seller's instruction, Buyer will immediately delete and discard all copies of the Seller Documents. The preceding three (3) sentences will survive any termination of this Agreement.

c. Buyer may obtain, at its sole cost and expense, and deliver to the Title Company and Seller an ALTA survey of the Property (the "**Survey**") based on the Title Commitment in accordance with the specifications as set forth in **Schedule 2** attached hereto. The legal description as shown on the final Survey that is approved by Seller, Buyer and the Title Company shall be the legal description used for all closing documents delivered at Closing.

d. At Closing, Seller shall cause Title Company, at Seller's sole cost and expense as to the base premium only, to agree to issue to Buyer a TLTA Owner's Policy of Title Insurance for the Property (the "**Title Policy**"), dated as of the Closing Date, in the amount of the Purchase Price insuring good and indefeasible fee simple title to the Property subject to the Permitted Exceptions, standard promulgated exceptions and taxes not yet due and payable. Buyer shall pay the premiums charged for and costs associated with obtaining any endorsements or modifications to the Title Policy and for any loan policy or endorsements required by Buyer's lender.

4. **Earnest Money.** Within two (2) Business Days after the Effective Date, Buyer shall deposit the Earnest Money in cash with Title Company, who shall immediately deposit it for collection in an interest-bearing account at a federally insured banking institution and deliver it, together with all interest earned thereon while in the custody of Title Company, in accordance with this Agreement. A portion of the Earnest

Money in the amount of \$100.00 shall be independent consideration (the “**Independent Consideration**”) for Seller’s execution and delivery of this Agreement. The Independent Consideration is independent of any other consideration or payment provided in this Agreement, is non-refundable and shall be retained by Seller, notwithstanding any other provision of this Agreement.

**5. Inspection Period.**

a. During the Inspection Period, Buyer may: (1) review the Title Commitment and Survey and notify Seller of any objections thereto by no later than the deadline set forth in **Section 6** below, (2) physically inspect the Property, (3) review applicable laws, ordinances, and restrictions, (4) conduct non-invasive tests and inspections of the Property, which may be deemed necessary by Buyer in its sole discretion, and (5) make applications and inquiries to applicable governmental authorities regarding the applicable zoning codes. Buyer will use (and will cause its agents, contractors and representatives to use) reasonable efforts not to disrupt Seller’s business in the coordination, scheduling and performance of all inspections, tests and surveys.

b. Notwithstanding anything to the contrary contained herein, if, upon the expiration of the initial 90-day Inspection Period, Buyer has not obtained all final, unappealable approvals in form and content acceptable to Buyer, in Buyer’s sole and absolute discretion, needed for Buyer to develop the Property for Buyer’s intended use, including, but not limited to, the Zoning Approvals, the Governmental Approvals, and the Curb Cut Approvals (each as defined below), then Buyer may extend the Inspection Period an additional 90 days to allow Buyer to obtain such approvals. Buyer shall have the right, upon written notice to Seller to continue to extend such Inspection Period in 90-day increments until such approvals are received, but in no event shall the Inspection Period be extended beyond 180 days following the date Buyer delivers to the applicable governmental agency Buyer’s application to obtain the Zoning Approvals.

c. If, for any reason or no reason during the Inspection Period, Buyer determines that it is unsatisfied with the Property, Buyer may terminate this Agreement by notifying Seller in writing before the Inspection Period expires, and the Earnest Money (less the Independent Consideration) shall be immediately returned to Buyer. If Buyer does not so timely terminate this Agreement, it shall have no further right to do so under this **Section 5.c**, and the Earnest Money shall become non-refundable (except as otherwise provided in this Agreement) but applicable to the Purchase Price at Closing. If Buyer terminates this Agreement during the Inspection Period for any reason other than a default by Seller, Buyer, within seven (7) days after Seller’s written request, shall provide Seller with a copy of the updated boundary survey and environmental site assessment if such documents are completed prior to the termination of the Agreement.

d. Prior to any entry by Buyer or its agents, Buyer will provide evidence of Buyer’s policy of commercial general liability insurance with a single limit of liability (per occurrence and aggregate) of not less than \$1,000,000.00 and evidencing that Seller has been named as an additional insured (such certificate of insurance will be delivered to Seller at the address for notices set forth below).

e. All of Buyer’s inspections shall be at Buyer’s sole cost and expense, and shall be performed in a manner so as not to unreasonably interfere with Seller’s interest in the Property. Buyer shall remove or bond in full any lien of any type that attaches to the Property as a result of any of Buyer’s inspections, and if Buyer fails to do so within ten (10) Business Days after Buyer receives notice that such lien is imposed on the Property, such failure is a default under this Agreement (without any additional notice and cure opportunity to be provided to Buyer) and Seller, at its election, may pursue its remedies set forth in this Agreement and may pay and satisfy the same in which case Buyer shall reimburse Seller any and all sums so paid, including interest at the highest rate allowed by the state in which the Property is located accruing from the date of payment by Seller of the lien amount and including all reasonable costs and expenses incurred by Seller in connection therewith, including attorneys’ fees and costs. The preceding sentence shall survive any termination of this Agreement. Upon completion of any inspection, test or entry on the Property, Buyer shall, at its sole expense, promptly restore any damage to the Property caused by such inspection, test or

entry to the extent reasonably practicable. **BUYER HEREBY INDEMNIFIES, DEFENDS (WITH COUNSEL REASONABLY ACCEPTABLE TO SELLER) AND HOLDS SELLER HARMLESS FROM AND AGAINST ANY AND ALL INJURIES, DAMAGES, CLAIMS, SUITS, CAUSES OF ACTION, JUDGMENTS, LIABILITIES, LOSSES, COSTS AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES AND COURT COSTS, RESULTING FROM BUYER'S (AND/OR BUYER'S AGENTS', EMPLOYEES', CONTRACTORS', SURVEYORS', CONSULTANTS' AND REPRESENTATIVES') INSPECTIONS, TESTS AND ENTRIES UPON THE PROPERTY, REGARDLESS OF WHETHER OR NOT SELLER'S NEGLIGENCE IS ALLEGED AS A PRODUCING CAUSE; PROVIDED, BUYER SHALL NOT BE RESPONSIBLE FOR ANY PRE-EXISTING CONDITION OF THE PROPERTY NOR SHALL BUYER'S INDEMNITY PURSUANT TO THIS PARAGRAPH APPLY TO THE EXTENT OF SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IF IT IS DETERMINED BY A COURT OF COMPETENT JURISDICTION PURSUANT TO A FINAL, NON-APPEALABLE JUDGMENT OR COURT ORDER THAT THE CLAIMS AROSE OUT OF SUCH SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.** The restoration and indemnity obligations of Buyer in this **Section 5.e.** shall survive Closing or earlier termination of this Agreement for a period of one (1) year.

f. If Buyer, in Buyer's sole discretion, determines during the Inspection Period that it will be required to obtain a change in the zoning of the Property, or a variance or special permit, to allow for Buyer's development of the Property for Buyer's intended use (the "**Zoning Approvals**"), then Seller shall, at Buyer's sole cost, fee and expense, reasonably cooperate with Buyer throughout the process of obtaining the Zoning Approvals and deliver such Zoning Approvals to Buyer for Buyer's review and approval (which approval may be withheld in Buyer's sole and absolute discretion) prior to submitting the same to any governmental agency.

g. If Buyer, in Buyer's sole discretion, determines during the Inspection Period that, in connection with Buyer's intended use of the Property, it will be required to obtain (i) any permits (including, without limitation, any environmental permits), approvals (other than the Curb Cut Approvals), or other entitlements necessary or required for Buyer's development of the Property for Buyer's intended use, (ii) platting approvals required for Buyer's development of the Property for Buyer's intended use, (iii) will-serve letters for utilities sufficient for Buyer's development of the Property for Buyer's intended use, or (iv) any other approvals (other than the Curb Cut Approvals) required for Buyer's development of the Property for Buyer's intended use (the foregoing (i) through (iv) collectively, the "**Governmental Approvals**"), then Seller shall, at Buyer's sole cost, fee and expense, reasonably cooperate with Buyer throughout the process of obtaining the Governmental Approvals and deliver such Governmental Approvals to Buyer for Buyer's review and approval (which approval may be withheld in Buyer's sole and absolute discretion) prior to submitting the same to any governmental agency.

h. During the Inspection Period, Seller shall, at Buyer's sole cost, fee and expense, cooperate with Buyer to obtain final, unappealable approval from the Texas Department of Transportation for three (3) direct curb cut access points connecting the Property to the E. Interstate 20 service road in a location mutually acceptable to Seller and Buyer (the "**Curb Cut Approvals**") and deliver such Curb Cut Approvals to Buyer for Buyer's review and approval (which approval may be withheld in Buyer's sole and absolute discretion) prior to submitting the same to any governmental agency.

6. **Title and Survey Review.** No later than fifteen (15) days prior to the expiration of the Inspection Period (the "**Title Review Period**"), Buyer may object in writing to any liens, encumbrances, and other matters reflected by the Title Commitment or Survey. All such matters to which Buyer so objects shall be "**Non-Permitted Exceptions**". Seller may, but shall not be obligated to, at its sole cost and expense, cure, remove or insure around all Non-Permitted Exceptions and may give Buyer written notice of its intention no later than seven (7) days after receipt of such objections (provided, if Seller does not deliver to Buyer any such written notice within such 7-day period, then it will be deemed that Seller has elected not to cure any of Buyer's objections); provided, however, Seller, at its sole cost and expense, shall be obligated to cure, remove or insure around by Closing all mortgages, deeds of trust, judgment liens, mechanic's and

materialmen's liens, and other monetary liens and similar encumbrances against the Property (other than liens for ad valorem taxes, which are not delinquent) entered into or caused by Seller and listed in the Title Commitment which either secure indebtedness or can be removed by payment of a liquidated sum of money (collectively, "**Mandatory Removal Items**"), whether or not Buyer objects thereto during the Title Review Period, and all such matters shall be deemed Non-Permitted Exceptions. If Seller timely elects (or is deemed to have elected) not to cause all of the Non-Permitted Exceptions (excluding the Mandatory Removal Items) to be removed, cured or otherwise omitted from Buyer's Title Commitment, Buyer may, as its sole remedy therefor, either (a) terminate this Agreement and recover the Earnest Money (less the Independent Consideration) by providing written notice of termination to Seller by no later than the end of the Inspection Period, and neither Buyer nor Seller shall have any obligations under this Agreement except those that expressly survive the termination of this Agreement; or (b) purchase the Property subject to the Non-Permitted Exceptions and all other items set forth on the Title Commitment and Survey (other than the Mandatory Removal Items). If Buyer does not timely terminate this Agreement pursuant to subsection (a) of the preceding sentence, then Buyer will be deemed to have elected the remedy in subsection (b) of the preceding sentence. If Seller has committed to remove the Non-Permitted Exceptions in writing or fails to remove any Mandatory Removal Items at or prior to Closing, then Buyer may exercise its remedies for breach of this Agreement as set forth herein. Any items that are (1) not objected to by Buyer during the Title Review Period other than the Mandatory Removal Items, or (2) items that Buyer has waived its objections to such items pursuant to subsection (b) of this paragraph are referred to as "**Permitted Exceptions**". All exceptions to title that do not appear on the initial Title Commitment and Survey are Non-Permitted Exceptions, but such exceptions will be deemed accepted by Buyer (and deemed to be Permitted Exceptions) if Buyer does not notify Seller in writing of Buyer's objection to such new exception items within seven (7) days after Buyer has knowledge or notice of such new exception items appearing on a Title Commitment or Survey.

7. **Intentionally Deleted.**

8. **Intentionally Deleted.**

9. **Conditions to Closing.** Buyer's obligation to consummate this Agreement is subject to the following:

a. As of the Closing, Seller has timely performed all of the material obligations required by the terms of this Agreement to be performed by Seller.

b. As of the Closing, all representations and warranties made by Seller to Buyer in this Agreement shall be true and correct in all material respects except for those representations and warranties that can no longer be true due to this transaction or the passage of time or those that have been modified by notice to Buyer in accordance with this Agreement.

c. All final, unappealable approvals obtained by Buyer during the Inspection Period in connection with Buyer's intended development of the Property (including, without limitation, the Zoning Approvals, the Governmental Approvals, and the Curb Cut Approvals) shall remain unchanged and in effect as of the Closing.

d. All consents required to effect the transaction shall have been obtained by Seller, including, without limitation, written consents from Seller's Board of Managers and the Tarrant County Commissioner's Court.

e. On the Closing Date, Title Company shall irrevocably commit to deliver to Buyer the Title Policy as required by **Section 3.d. and 6** reflecting only Permitted Exceptions.

If any of the conditions specified in **Sections 9.a. through 9.e.** above are not satisfied on or before the Closing Date, Buyer may, at its option, and in its sole and absolute discretion, (a) extend the Closing Date to allow Seller a sufficient time (but not to exceed thirty (30) days) within which to cure or satisfy such

condition, (b) waive any such condition either at the time originally established for Closing or any time on or before the 30<sup>th</sup> day thereafter and proceed to Closing without adjustment or abatement of the Purchase Price, or (c) terminate this Agreement by written notice to Seller, whereupon the Earnest Money (less the Independent Consideration) shall be returned to Buyer and no party shall have any further obligation to the other hereunder, except as otherwise herein provided. In addition to (and notwithstanding) the foregoing, if the failure of the condition is due to a breach by Seller hereunder (and if such Seller breach is not due to a Buyer breach hereunder), Buyer also shall be entitled to any other remedies to which Buyer would be entitled under **Section 15** of this Agreement.

**10. Closing.**

a. The closing of the sale of the Property (the “**Closing**”) shall occur in the offices of the Title Company on the Closing Date through an escrow with the Title Company, whereby Seller, Buyer and their attorneys need not be physically present and may deliver documents by overnight air courier or other means. The failure of either party to deliver its respective items in **Sections 10.b.** and **10.c.** below shall constitute a default hereunder by such party subject to **Section 15** below.

b. At the Closing, Seller shall deliver to Buyer (except as otherwise noted below):

- (1) a special warranty deed in the form attached hereto as **Exhibit B** (the “**Deed**”) conveying title to the Property to Buyer subject only to the Permitted Exceptions, and in any event free of all Mandatory Removal Items; provided, however, if the Property is located in two counties, then Seller shall deliver to Buyer two originals of the Deed, which shall be filed in each county in which the Property is located;
- (2) a certificate in the form of **Exhibit C** from Seller and otherwise complying with the Internal Revenue Code certifying that Seller is not a foreign entity;
- (3) possession of the Property, subject to the Permitted Exceptions but free of leases and parties in possession and in substantially the same condition as on the Effective Date;
- (4) evidence of Seller's authority to complete the transaction (to be delivered to the Title Company only) as required by the Title Company;
- (5) an executed counterpart of the settlement statement prepared by the Title Company and approved by Seller; and
- (6) such other documents as the Title Company reasonably and customarily requires in order to consummate the transaction contemplated by this Agreement (in form and content acceptable to Seller and to be delivered to the Title Company only).

c. At Closing, Buyer shall deliver to Seller the Purchase Price in cash, adjusted as provided in this Section, and to the Title Company, evidence of Buyer's authority to complete the transaction, an executed counterpart of the settlement statement prepared by the Title Company and approved by Buyer and such other documents as the Title Company reasonably and customarily requires in order to consummate the transaction contemplated by this Agreement.

d. Ad valorem taxes, assessments and any other charges against the Property shall be prorated at Closing, Seller being charged for them through the date immediately prior to the Closing Date and Buyer being responsible thereafter. If any of the Property is assessed and taxed as a part of a larger parcel of real estate, then, for purposes of computing tax prorations hereunder, a proportionate part of the real estate taxes attributable to such larger parcel shall be allocated to the Property on the basis of the ratio between the number of gross square feet comprising the Property and the total number of gross square feet comprising such larger parcel of real estate. Notwithstanding the foregoing, if any taxes, assessments, penalties and/or interest (collectively,

the "**Rollback Taxes**") are imposed or proposed against or related to the Property for any reason and which apply to or are based, calculated or assessed in some manner on periods prior to Closing, such Rollback Taxes applicable to the Property for periods prior to Closing or which would be or are occasioned by Buyer's ownership, development or change of use of the Property shall be paid by Buyer when such Rollback Taxes have been triggered and are due and payable. For the avoidance of doubt, the term "**Rollback Taxes**" expressly excludes any increase in ad valorem taxes resulting from an increased valuation of the Property resulting from improvements made to the Property by Buyer during the year the change in use occurs, and all such tax burden accrued for the period of time from and after the Closing Date, resulting from improvements made to the Property by Buyer, shall be borne exclusively by Buyer.

e. At Closing, Seller will pay for the recording fees of the Deed. Seller and Buyer will each pay 50% of the escrow charges to the Title Company. Seller and Buyer shall each pay such other costs and expenses expressly provided for in this Agreement to be paid by Seller and Buyer. All other customary purchase and sale closing costs shall be paid by Seller or Buyer in accordance with the custom in the jurisdiction where the Property is located.

f. The Earnest Money shall be credited to the Purchase Price.

#### 11. **Representations and Warranties.**

a. Seller represents and warrants to Buyer that as of the Effective Date and as of the Closing Date: (a) Seller is duly organized and validly existing under the laws of the State of Texas and has all requisite power and authority to execute and deliver this Agreement, and to carry out its obligations hereunder and the transactions contemplated hereby; (b) no other person or entity besides Seller has any right to possession of, interests in or claims against the Property (other than as reflected by the Title Commitment); (c) Seller has no actual knowledge of any hazardous materials in, on or under the Land in violation of applicable Environmental Laws (as defined below) or of any on-site environmental contamination resulting from activities or operations on the Land during Seller's ownership of the Land; (d) to Seller's actual knowledge, neither the execution and delivery of this Agreement by Seller nor the consummation of the transactions contemplated hereby will result in any breach or violation of or default under any judgment, decree, order, mortgage, lease, agreement, indenture or other instrument to which Seller is a party; (e) to Seller's actual knowledge, there is no litigation, proceeding, claim or investigation, including, without limitation, any condemnation proceeding or tax reduction proceeding, pending or threatened (in writing) against the Property which will materially adversely affect the Property or Buyer after Closing; (f) to Seller's actual knowledge, there will be no tenants or other parties in possession with a right to use or occupy the Land after the Closing; (g) Seller has not received any written notice of any presently-uncorrected violation of any Legal Requirements with respect to the Property; and (h) except in connection with obtaining the Zoning Approvals, the Governmental Approvals, or the Curt Cut Approvals, to Seller's actual knowledge, there are no petitions, actions or hearings, currently planned or contemplated, relating to or affecting the zoning or use of the Property. The term "**Legal Requirements**" means any applicable zoning, building, health, environmental, traffic, flood control, fire safety, handicap or other law, code, ordinance, rule or regulation. All of Seller's representations and warranties in this **Section 11** shall survive the Closing for a period of one (1) year. In the event that Buyer is aware before the Closing Date that any of Seller's representations or warranties set forth in this **Section 11** are not true in any material respect, then Buyer shall promptly notify Seller of the same and Seller shall have the opportunity to render any such representation or warranty materially true as of the Closing Date. In the event that Buyer is aware as of the Closing Date that any of Seller's representations or warranties set forth in this **Section 11** are not true in any material respect, then Buyer shall, as its sole remedy, elect one of the following: (i) terminate this Agreement by written notice thereof to Seller prior to Closing, in which event the Earnest Money (less the Independent Consideration) will be returned to Buyer, and Seller and Buyer will be relieved of all obligations under this Agreement except for those matters set forth herein that expressly survive the termination hereof, or (ii) elect to close under this Agreement notwithstanding such failure of such representation or warranty, in which event the Closing will be deemed a waiver by Buyer of

such failure of such representation or warranty. For purposes of this Agreement, “**Seller’s actual knowledge**” or words of similar meaning shall be defined as the current actual knowledge of Daphne Walker, as chief legal counsel of Seller, with no inquiry or investigation (or duty of inquiry or investigation) necessary, and shall not be construed to refer to the knowledge of any other employee, officer, director, shareholder, partner, member, manager or agent of Seller or any affiliate of Seller, and shall in no event be deemed to include imputed or constructive knowledge. The reference herein to any individual is used solely as a basis to define the scope and limit of Seller’s knowledge and shall not cause such person to incur any personal liability for anything in connection with this Agreement, or the transactions contemplated hereunder, including, without limitation, any breach of Seller’s representations or warranties made herein. The preceding sentence shall survive Closing or any termination of this Agreement.

b. Buyer represents and warrants to Seller that as of the Effective Date and as of the Closing Date: (a) Buyer is duly organized and validly existing under the laws of the State of Texas and has all requisite power and authority to execute and deliver this Agreement, and to carry out its obligations hereunder and the transactions contemplated hereby; (b) The consummation of Closing shall constitute Buyer’s acknowledgment that it has independently inspected and investigated the Property and has entered into this Agreement based upon such inspection and investigation and its own examination of the condition of the Property; (c) Buyer is experienced in and knowledgeable about the ownership and management of commercial real estate properties, and, without limiting any of the representations or warranties of Seller expressly made in this Agreement or any of the documents to be delivered by Seller at the Closing, it has relied and will rely exclusively on its own consultants, advisors, counsel, employees, agents, principals and/or studies, investigations and/or inspections with respect to the Property, its condition, value and potential; and (d) neither Buyer nor, after making due inquiry, any person or entity that owns, directly or indirectly, an equity interest in or otherwise controls Buyer, nor any of its officers, directors or managers, is (i) a person or entity with whom U.S. Persons are restricted from doing business under regulations of OFAC (including those named on OFAC’s Specially Designated and Blocked Persons List or any similar list) or under any statute, executive order (including the Executive Order), or other governmental action, (ii) currently subject to any U.S. sanctions administered by OFAC, or (iii) under investigation by any governmental authority for, or has been charged with, or convicted of, money laundering under any Anti-Money Laundering Laws, has been assessed civil penalties under any Anti-Money Laundering Laws, or has had any of its funds seized or forfeited in an action under any Anti-Money Laundering Laws. All of Buyer’s representations and warranties in this **Section 11** shall survive the Closing for a period of one (1) year.

12. **Covenants and Agreements.** Seller and Buyer covenant and agree as follows:

a. From and after the date hereof, without Buyer’s prior consent, Seller shall not (i) perform any grading or excavation, construction or removal of any improvement or make any other material change or improvement upon or within the Property; (ii) create or incur, or suffer to exist, any mortgage, lien, pledge or other encumbrance in any way affecting the Property, other than liens and security interests that will be released at or before Closing; (iii) commit any material waste or nuisance upon the Property; (iv) except in connection with obtaining the Zoning Approvals, the Governmental Approvals, or the Curb Cut Approvals, impose any easements, covenants, conditions or restrictions on the Property or institute any annexation, zoning, dedication or other governmental action regarding the Property; or (v) enter into any sale agreement, easements, leases, license agreements, services agreements or other agreement affecting the Property that are not terminated at or before Closing or cannot be terminated within thirty (30) days of Closing.

b. From and after the date hereof until the Closing, Seller shall promptly furnish Buyer with any and all written notices concerning the Property that Seller receives from any and all appraisal districts, taxing authorities or any other governmental entities, or of any litigation, arbitration or administrative hearing concerning the Property, and any other material changes in any representation or warranties made by Seller in **Section 11** above.



c. From and after the date hereof until the Closing, Seller shall not cause any action to be taken which would cause any of the representations or warranties made by Seller in **Section 11** of this Agreement to be false in any material respect on or as of the Closing Date. Upon Seller having obtained actual knowledge thereof, Seller shall promptly notify Buyer of the occurrence of any event that would constitute a material change in any of Seller's representations in **Section 11** of this Agreement or a breach of any of Seller's covenants under this Section.

d. From and after the date hereof until the Closing, Seller shall, except as otherwise provided in this Agreement, operate and maintain the Property in substantial accordance with Seller's past practices and all applicable Legal Requirements.

e. Seller shall, at its sole cost and expense, keep and maintain in full force and effect up to the Closing, Seller's existing insurance coverage with respect to the Property.

**13. Intentionally Deleted.**

**14. Risk of Loss.** In the event of a taking by condemnation or similar proceedings or actions of all, or any portion of the Property, Buyer shall have the option to terminate this Agreement upon written notice to Seller within 10 days of Buyer's notice of such condemnation, in which event the Earnest Money (less the Independent Consideration) shall be promptly refunded by the Title Company to Buyer, and neither Buyer nor Seller shall have any further rights or obligations hereunder. If Buyer does not timely exercise its option to so terminate this Agreement, then this Agreement shall remain in full force and effect and Seller shall assign to Buyer at Closing Seller's interest in and to any and all condemnation awards or proceeds from any such proceedings or actions in lieu thereof.

**15. Remedies.** If Buyer fails to perform its obligations pursuant to this Agreement for any reason except failure by Seller to perform hereunder or termination of this Agreement as provided herein and fails to cure such default within five (5) Business Days after receipt of written notice of default from Seller, Seller's sole and exclusive remedy will be to terminate this Agreement and receive the Earnest Money as liquidated damages and not as penalty, in full satisfaction of claims against Buyer hereunder, in which case neither Buyer nor Seller shall have any further rights or obligations hereunder, except those that expressly survive the termination of this Agreement. If Seller fails or refuses to consummate the Closing of the sale of the Property pursuant to this Agreement for any reason except failure by Buyer to perform hereunder or termination of this Agreement as provided herein and fails to cure such default within five (5) Business Days after receipt of written notice of default from Buyer, Buyer may exercise one of the following remedies as its sole and exclusive remedy: (a) terminate this Agreement and Title Company shall immediately return the Earnest Money to Buyer and Seller shall reimburse Buyer for Buyer's actual out-of-pocket pursuit costs incurred in connection with the transaction contemplated by this Agreement up to an amount of \$20,000.00 (as reflected by invoices or other satisfactory evidence delivered by Buyer to Seller), (b) Buyer may seek specific performance of Seller's obligation to close on the sale of the Property pursuant to this Agreement (provided, such action for specific performance must be filed within 90 days after Seller's default or otherwise such remedy of specific performance shall thereafter be deemed forever waived and not available to Buyer), or (c) if specific performance is not available solely as a result of Seller having sold the Property to a third party while this Agreement is still in effect and prior to Closing, pursue actual damages against the Seller. Notwithstanding anything to the contrary herein, Buyer and Seller each hereby waives any and all rights to sue the other party for consequential, punitive, exemplary, speculative and/or indirect damages of any kind whatsoever, and this sentence shall survive Closing or any termination of this Agreement. If Buyer is aware of any breach of this Agreement at or prior to Closing and nevertheless proceeds to close, then Buyer shall be deemed to have waived any such breach for all purposes. If either party retains an attorney to enforce this Agreement, the party prevailing in litigation is entitled to recover reasonable attorney and paraprofessional fees and court and other legal costs. The preceding three (3) sentences shall survive Closing or any termination of this Agreement.

**16. Notices.** All notices, requests, approvals, consents, and other communications required or permitted under this Agreement must be given in writing, only by one of the following methods, and are effective and deemed received by the applicable recipient: (a) on the Business Day it was sent if (1) sent

by email transmission, and (2) if sent via email, a confirming copy is sent within one Business Day after the email transmission by one of the other means specified below; (b) the next Business Day after delivery on a Business Day during business hours to a nationally-recognized overnight-courier service, for prepaid delivery on the next Business Day; (c) if orderly delivery of the mail is not then disrupted or threatened, in which event some method of delivery other than the mail must be used, three (3) days after being deposited in the United States mail, certified, return receipt requested, postage prepaid, on a Business Day during business hours; or (d) upon receipt if delivered personally or by any method other than by nationally-recognized overnight-courier service, or mail; in each instance addressed to Seller or Buyer, as the case may be, at the address specified below the party's signature block, or to such other address for notice identified by such party by ten (10) days' prior notice to the other party.

17. **Brokers.** Buyer and Seller each represent and warrant to the other that they have not dealt with any real estate broker or agent in connection with the negotiation of this Agreement other than CBRE, Inc., representing Seller ("**Seller's Broker**") and Jones Lang LaSalle Brokerage, Inc., representing Buyer ("**Buyer's Broker**"). In connection with the transactions contemplated hereby, at the Closing, Seller shall pay to (a) Seller's Broker, a commission pursuant to a separate written agreement between Seller and Seller's Broker, and (b) Buyer's Broker, a commission equal to 2.25% of the Purchase Price. Seller and Buyer each agree to indemnify and hold harmless the other from and against any claims or demands with respect to any brokerage fees or agents' commissions or other compensation asserted by any other person, firm, or corporation in connection with this Agreement or the transactions contemplated hereby insofar as any such claim or demand is based upon a contract or commitment of the indemnifying party. The indemnities in this Section will survive Closing or any termination of this Agreement

18. <b>Waiver of Jury Trial.</b> The parties hereby irrevocably waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement. This waiver shall apply to any subsequent amendments, renewals, supplements or modifications to this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.
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19. **Disclaimer; Release.**

a. **Except for Seller's representations and warranties expressly set forth in Section 11 and Section 17 of this Agreement, Seller makes no representation or warranty, express or implied or arising by operation of law with respect to any matter concerning the Property, including, without limitation, the following: (i) title (other than the warranty of title of the Deed), (ii) habitability, merchantability or suitability or fitness of the Property for a particular purpose or use, (iii) the nature and condition of the Property, including, without limitation, water, drainage and grading, soil and geology, zoning, annexation, extraterritorial jurisdiction and other zoning and jurisdictional issues, location of cemeteries, utility availability or hook-up, easement rights, flood plains (or portions of the Property in a flood plain) and the costs and requirements of same, access to streets, costs of utilities, location of curb cuts and median breaks in streets, sewage facilities (including, without limitation, availability or nonavailability of appropriate water and sewer capacity) or other governmental rights or obligations, (iv) completeness, accuracy or approval of permits, surveys, plats, preliminary plats, pollution abatement plans, subdivision plans or reports concerning the Property, (v) tax consequences, (vi) compliance of all or any part of the Property with applicable environmental laws, rules or regulations with respect to health, the environment, endangered species and wetlands (collectively, "Environmental Laws"), (vii) the existence of asbestos, oil, arsenic, petroleum or chemical liquids or solids, liquid or gaseous products or hazardous substances as those terms and similar terms are defined or used in applicable Environmental Laws, (viii) nature and extent of access to rights-of-way or utilities, availability of permits to access rights-of-way or utilities on the Property or other property owned by Seller or third parties; rights-of-way, leases, encumbrances, licenses, reservations, conditions or other similar matters, (ix) compliance with any law, ordinance or regulation of any governmental entity or body, or (x) property owner claims or claims, demands, or other matters by, against or with respect to any property owners association**

or relating to any restrictive covenants encumbering the Property. Except for Seller's representations and warranties expressly set forth in Section 11 and Section 17 of this Agreement, sale of the Property is made on an "AS IS, WHERE IS" and "WITH ALL FAULTS" basis. Buyer acknowledges that Buyer has the full, complete and unfettered right to inspect the Property to Buyer's satisfaction and that the Purchase Price is in part based upon the fact that the conveyance to be made by Seller shall be without warranty or representation (except for Seller's representations and warranties expressly set forth in Section 11 and Section 17 of this Agreement and the warranty of title contained in the Deed). Buyer hereby agrees to rely only upon Buyer's own inspections as to the condition of the Property, or its own decision not to inspect any matter.

b. SELLER SHALL NOT BE LIABLE TO BUYER FOR ANY CONSTRUCTION DEFECT, ERRORS, OMISSIONS, OR ON ACCOUNT OF ANY OTHER CONDITION AFFECTING THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THOSE MATTERS DESCRIBED IN SECTION 19.a(i)-(x) ABOVE AND BUYER AND ANYONE CLAIMING BY, THROUGH OR UNDER BUYER, HEREBY FULLY RELEASES SELLER, ITS PARTNERS, MEMBERS, EMPLOYEES, OFFICERS, DIRECTORS, MANAGERS, REPRESENTATIVES, ATTORNEYS AND AGENTS FROM ANY AND ALL CLAIMS AGAINST ANY OF THEM FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION (INCLUDING, WITHOUT LIMITATION, ANY RIGHTS OF CONTRIBUTION) ARISING FROM OR RELATED TO ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS, OR OTHER CONDITIONS AFFECTING THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THOSE MATTERS DESCRIBED IN SECTION 19.a(i)-(x) ABOVE AND INCLUDING ANY ALLEGED NEGLIGENCE OF SELLER. THIS COVENANT RELEASING SELLER AND ITS PARTNERS, MEMBERS, EMPLOYEES, OFFICERS, DIRECTORS, MANAGERS, REPRESENTATIVES, ATTORNEYS AND AGENTS SHALL BE A COVENANT RUNNING WITH THE PROPERTY AND SHALL BE BINDING UPON BUYER AND BUYER'S SUCCESSORS AND ASSIGNS.

c. Buyer represents and warrants to Seller that Buyer is acquiring the Property for investment, has knowledge and experience in financial and business real estate matters that enable Buyer to evaluate the merits and risks of the transactions herein contemplated, and has bargained for and obtained a purchase price and agreement terms which make the limitations of Buyer's recourse against Seller acceptable.

d. The waivers, releases, disclaimers and other matters set forth in this **Section 19** will survive Closing or any termination of this Agreement.

## 20. **Miscellaneous.**

a. **Entireties.** This Agreement contains the entire agreement of the parties pertaining to the Property.

b. **Modifications.** This Agreement may only be modified by a written document signed by both parties. Title Company is not a necessary party to an amendment to this Agreement.

c. **Assigns; Beneficiaries.** This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective heirs, legal representatives, successors, and assigns. Buyer may not assign its rights under this Agreement without Seller's consent except to an entity controlled by or under common control with Buyer. Except as set forth in the preceding sentence, this Agreement is for the sole benefit of Seller and Buyer, and no third party is intended to be a beneficiary of this Agreement. Any permitted or approved assignment of this Agreement by Buyer shall require its assignee to expressly assume all obligations of the Buyer under this Agreement for the benefit of Seller and shall not relieve the assigning party of Buyer's obligations under this Agreement.

d. **Governing Law.** This Agreement shall, in all respects, be governed, construed, applied, and enforced in accordance with the law of the state in which the Property is located without giving effect to its choice of law provisions.

e. **Non-Business Day; Time.** If the final date of any period provided herein for the performance of an obligation or for the taking of any action falls on a Saturday, Sunday, or legal holiday for national banks in the location where the Property is located, then the end of such period shall be extended to the next Business Day. The term "**Business Day**" means any day of the week that is not a Saturday, Sunday, or legal holiday for national banks in the location where the Property is located. Time is of the essence in the performance of this Agreement.

f. **No Assumption of Liabilities.** Notwithstanding any provision contained in this Agreement to the contrary, this Agreement is intended as and shall be deemed to be an agreement for the sale of assets and none of the provisions hereof shall be deemed to create any obligation or liability of any party to any person or entity that is not a party to this Agreement, whether under a third-party beneficiary theory, laws relating to transferee liabilities or otherwise.

g. **No Marketing.** Seller agrees not to market any portion of the Property for sale from the expiration of the Inspection Period until the earlier of the Closing or a termination of this Agreement.

h. **Joint and Several.** If there is more than one Seller or Buyer, or if the Seller or Buyer as such is comprised of more than one person or entity, the obligations hereunder imposed upon Seller or Buyer, as applicable, shall be joint and several obligations of all such parties. All notices, payments, and agreements given or made by, with or to any one of such persons or entities shall be deemed to have been given or made by, with or to all of them.

i. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which shall constitute one document. Signatures delivered by facsimile transmission or email transmission in portable document format or other electronic imaging is binding.

j. **Nonrecording.** Neither this Agreement nor any memorandum thereof may be recorded in the public records of any county in the State of Texas by Buyer, and if this Agreement or any such memorandum is so recorded by Buyer, the same shall constitute a default under this Agreement.

k. **Section 1031 Tax-Deferred Exchanges.** Upon either party's request, the other party shall cooperate and reasonably assist the requesting party in structuring the purchase and sale contemplated by this Agreement as part of a tax deferred, like-kind exchange under Section 1031 of the Internal Revenue Code of 1986, as amended; provided, however, that in connection therewith, the non-requesting party shall not be required to: (a) incur any additional costs or expenses; (b) take legal title to additional real property (i.e., the requesting parties' "replacement property" or "relinquished property"); or (c) agree to delay the Closing. However, should both parties wish to complete a tax-deferred exchange, the parties will each incur their own additional expenses related to their exchange.

[Signature pages follow]

**Buyer's Signature Page to  
Purchase and Sale Agreement between  
[Tarrant County Hospital District] and  
Preferred Real Estate Investments, Inc.**

**BUYER:**

**PREFERRED REAL ESTATE INVESTMENTS, INC.,**  
a Texas corporation

By: 

Name: Murl Richardson  
Title: President

Date Executed: 11-15, 2022

Address:

Preferred Real Estate Investments, Inc.  
901 Main Street, Suite 4200  
Dallas, Texas 75202  
Attn: Murl Richardson  
Email: mrichardson@prefrei.com

With copy to:

Munsch Hardt Kopf & Harr, P.C.  
500 N. Akard Street, Suite 3800  
Dallas, Texas 75201  
Attn: Ian M. Fairchild  
Email: ifairchild@munsch.com

**Seller's Signature Page to  
Purchase and Sale Agreement between  
Tarrant County Hospital District d/b/a JPS Health Network and  
Preferred Real Estate Investments, Inc.**

**SELLER:**

**TARRANT COUNTY HOSPITAL DISTRICT D/B/A JPS  
HEALTH NETWORK**  
a Texas governmental entity

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date Executed: \_\_\_\_\_, 2022

Address:

Adam Lane, Vice President  
JPS Health Network  
1500 S. Main Street  
Fort Worth, TX 76104  
Email: alane02@jpshealth.org

### **Title Company Joinder**

Title Company joins herein in order to evidence its agreement to perform the duties and obligations of Title Company set forth in this Agreement.

#### **CAPITAL TITLE OF TEXAS, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Dated Executed : \_\_\_\_\_, 2022

Address:

Capital Title of Texas, LLC  
8222 Douglas Avenue, Suite 570  
Dallas, Texas 75225  
Attn: Stacie Taylor  
Email: staylor@ctot.com

## **EXHIBIT A**

### **PROPERTY DESCRIPTION**

LOT 2, BLOCK 8R OF THE WESTPOINTE BUSINESS CENTER ADDITION, AN ADDITION TO THE CITY OF ARLINGTON, TARRANT COUNTY, TEXAS, AS DESCRIBED IN THE PLAT OR MAP THEREOF RECORDED UNDER CABINET A, SLIDE 7063, OF THE PLAT RECORDS OF TARRANT COUNTY, TEXAS.



EXHIBIT B

SPECIAL WARRANTY DEED

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

THE STATE OF TEXAS       §  
  §  
COUNTY OF TARRANT     §

KNOW ALL MEN BY THESE PRESENTS:

\_\_\_\_\_, a \_\_\_\_\_ ("**Grantor**"), for and in consideration of the amount of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has GRANTED, BARGAINED, SOLD, and CONVEYED and by these presents does GRANT, BARGAIN, SELL, and CONVEY unto \_\_\_\_\_, a \_\_\_\_\_ ("**Grantee**"), the tract or parcel of land in Tarrant County, Texas described in **Exhibit A** attached hereto (the "**Land**"), and all buildings, structures, and fixtures presently situated on the Land, if any (collectively, the "**Improvements**"), together with all right, title and interest of Grantor, if any, in and to (a) all easements, licenses, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, appurtenant to and used in connection with or pertaining to the Improvements and Land, (b) any strips or gores of real property between the Land and abutting or adjacent properties, (c) all minerals, royalties, gas rights, water, water rights, timber and crops pertaining to the Land, and (d) appurtenances and all reversions and remainders in or to the Land (the Land, the Improvements, and the foregoing subsections (a) through (d) are collectively referred to herein as the "**Property**").

This Special Warranty Deed and the conveyance hereinabove set forth is executed by Grantor and accepted by Grantee subject to all easements, restrictions, reservations, and covenants described in **Exhibit B** attached hereto, to the extent the same are validly existing and applicable to the Property (hereinafter referred to collectively as the "**Permitted Exceptions**").

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

*[Signatures on following page.]*

EXECUTED to be effective as of \_\_\_\_\_, 202\_\_.

**[GRANTOR]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §  
§

This instrument was acknowledged before me on \_\_\_\_\_, [Current Year], by  
\_\_\_\_\_, as \_\_\_\_\_ of [Seller], on behalf of such \_\_\_\_\_.

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

Exhibit A – Legal Description  
Exhibit B – Permitted Exceptions

## EXHIBIT C

### FIRPTA CERTIFICATE

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform [ ] ("**Transferee**"), that withholding of tax is not required upon the disposition of a U.S. real property interest by [ ] ("**Transferor**"), the Transferor hereby certifies to Transferee the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor's U.S. Employer Identification Number is \_\_\_\_\_;
3. Transferor's address is [Address]; and
4. Transferor is not a disregarded entity as defined in Section 1.445-2(b)(2)(iii) of the Internal Revenue Code and Income Tax Regulations.

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

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

The undersigned has executed this Certificate to be effective as of \_\_\_\_\_, 202\_\_.

**TRANSFEROR:**

[Seller]

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

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

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

THE STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §  
§

This instrument was acknowledged before me on \_\_\_\_\_, [Current Year], by  
\_\_\_\_\_, as \_\_\_\_\_ of [Seller], on behalf of such \_\_\_\_\_.

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

## **SCHEDULE 1**

### Schedule of Seller's Deliverables

Existing Title Policy  
Existing ALTA Survey

Engineering/Property Condition Reports  
Geotechnical/Soils Report  
Seismic Report, if applicable  
Existing Environmental Report(s) - Phase I, Phase II, etc.  
Governmental Permits, Notices, Reports, Citations, Compliance / Non-Compliance & Correspondence  
Documents from any Governmental authority pertaining to the Property

Current Year Tax Valuation  
Tax Bills (previous two years)  
History of Tax Protests, if any (including original and final valuations)  
Pending Tax Protests, if any

Seller's Issuance of Insurance Claims or Letter Stating None

Approvals, Site Plan, Zoning, Development and Other Agency (Historical, Traffic, etc.)  
Permits (grading, foundation, building, wetlands, etc.)

Other information reasonably requested by Buyer to the extent in Seller's or its agents' possession or control

**SCHEDULE 2**  
**SURVEY REQUIREMENTS**  
**2021 ALTA/NSPS**

The survey should include a clear legend explaining any abbreviations used by the surveyor and comply with the following requirements.

1. Each survey must be complete on one sheet.
2. All surveys must be certified to the Buyer and the Title Company by a registered land surveyor using the attached certification. Each survey must have the surveyor's original signature, contact information (including phone number, website, and email address) and have the surveyor's seal affixed. The survey must reflect a current date no more than sixty (60) days before the closing. Older surveys are acceptable if updated and re-certified and if they otherwise meet these requirements. The survey must show the date(s) of any revisions made. The survey must show the north arrow, preferably in the upper right hand quadrant of the survey.
3. The full legal (metes and bounds) description and street address of the property must be shown. The legal description must be identical to that shown on the title report or any discrepancies must be explained. If the premises are described as being on a filed or recorded plat or map, the survey should contain a legend relating the parcel to the plat or map on which it is shown and the surveyor should certify that any land which has been platted or mapped is the same as that described on the survey. Any parcel(s) subject to a ground lease must be specifically shown and identified as the ground lease parcel(s).
4. All perimeter property lines must be specifically identified. Show the location by courses and distances of: (a) the parcel to be covered by the title insurance policy; (b) the relation of the point of beginning to the monument from which it is fixed; (c) the established building line(s) and setback lines, if any; and (d) the line of the street or streets abutting the parcel and the width of said streets.
5. All survey related exceptions on the title report must be plotted (or identified on the face of the survey as not plottable) and, if any exceptions (except liens) are not plottable, the survey must indicate the reason(s) that each is not plottable.
6. All easements affecting the property (including easements on or over other parcel(s) which benefit the subject property) must be identified by recording information, if any, and (if created by recorded instrument) listed by book and page or by document number of the instrument creating the easement. If an easement has been created by or is shown on a recorded plat or map, the surveyor should certify that such easement(s) is the same as that shown on the plat or map.
7. The square footage of all building structures must be shown and the number of square feet or acres contained in the parcel must be specifically identified as to base building dimensions only.
8. All streets adjacent to the property, right of way lines, and the distance from the nearest intersecting streets must be specifically shown and identified. The survey must disclose that access to the adjacent streets exists and confirm that all streets are public streets. Any private streets must be identified as such.
9. All structures and improvements, including sidewalk's, stoops, overhangs, and parking and paved areas, must be shown, including the location and character of all within five feet (5') of each boundary line. Identify the number and location of all parking spaces and show handicapped parking spaces. Indicate size and character of any monuments. Show all building structures and improvements on said parcel with horizontal lengths of all sides and the relation thereof by distances to: (a) all boundary lines of the parcel; (b) easements on or over the subject property; (c)

established building and set-back lines; and (d) street lines. All curb cuts, driveways, fences and the location of major streets and shrubbery to be protected must be shown.

10. For land surveys only, show information regarding any underground service to the surveyed property.
11. Identify any above ground evidence of utility transformers located on the property and specifically make reference to those transformers which are labeled as containing PCB's.
12. Encroachments of buildings and of structural appurtenances, such as loading docks, awnings, canopies, porches, fire escapes, and bay windows, by or on adjoining property, over easements, onto or from abutting streets or alleys, whether surface or subsurface, must be indicated on the survey with the extent of such encroachments clearly defined. Any known variance granted by governmental authority for such encroachments should be listed and explained.
13. State whether or not the property appears on any U.S. Department of Housing and Urban Development ("HUD"), Flood Hazard Boundary Map, or a special flood hazard area map published by the Federal Emergency Management Agency ("FEMA"). If the property appears on a HUD Flood Hazard Boundary Map, state the map number and whether or not the property appears in the "Flood Hazard Area" shown on the map. If the property appears on a FEMA special flood hazard area map, state whether or not the property lies within a flood hazard area and, if so, further state the flood zone, the applicable map ("FIRM", "FHFBM", or "FBFM") and the community panel number.
14. If the property lies within any flood hazard area, floodplain, or other flood prone area, provide an elevation certificate for each building and structure within the flood area.
15. Show the location for existing streams, ponds, lakes, rivers, canals, ditches, marshes and swamps, or any surface drainage system either running through or within five feet (5') of the perimeter boundary of the surveyed property.
16. Show the location of any tanks and all railroad tracks, spur tracks and sidings.
17. Show the location and number of loading spaces for each building on the Property.
18. Show the perimeter of cemeteries and/or burial grounds and location(s) of isolated gravesites not within a cemetery or burial ground.
19. Provide Client a copy of the CAD drawings as well as the .pdf of the surveyed property.
20. Depict the proposed building overlaying the land in the proper location. This depiction should be included as a new layer within the CAD file, and Surveyor should provide Client a .pdf version of both the ALTA survey of land as well as the land survey with building overlay. Client will provide Surveyor with the CAD drawing of the building and background drawings for Surveyor's use.
21. The Survey shall include ALTA/NSPS Survey Table A Optional Survey Responsibilities and Specifications items 1-4, 6(a), 6(b), 7(a), 7(b)(1), 7(c), 8, 9, 13, 14, 16 and 17 **if the surveyed property has existing buildings in place**. If the surveyed property is vacant land, the Survey shall include ALTA/NSPS Survey Table A Optional Survey Responsibilities and Specifications items 1-4, 6(a), 6(b), 8, 11, 13, 14, 16, 17, and 21.

**SURVEY CERTIFICATION FORMAT  
2021 ALTA/NSPS**

To: Preferred Real Estate Investments, Inc., its successors and/or assigns, \_\_\_\_\_,  
[Title Company] [Seller] [New Lenders] and \_\_\_\_\_.

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1- 4, 6a, 6b, 8, 11, 13, 14, 16, 17, 19, and 21 of Table A thereof. The fieldwork was completed on \_\_\_\_\_.

Date of Plat or Map: \_\_\_\_\_  
(Surveyor's signature, printed name, and seal with Registration/License Number)