## Contact Information

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Contact</td>
<td>Manish Verma</td>
<td>210-530-0090</td>
<td><a href="mailto:manishv@versadevco.com">manishv@versadevco.com</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary Contact</td>
<td>Janice Degollado</td>
<td>210-530-0090</td>
<td><a href="mailto:janiced@versadevco.com">janiced@versadevco.com</a></td>
</tr>
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<tr>
<td>Consultant Contact</td>
<td>Alyssa Carpenter</td>
<td>512-789-1295</td>
<td><a href="mailto:Aajcarpen@gmail.com">Aajcarpen@gmail.com</a></td>
</tr>
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</tbody>
</table>

## Development Information

- **Name of Proposed Entity:** VDC Mission Steves, LP
- **Development Name:** Valiente Apartments
- **Development Type:** New Construction
- **Secondary Type:** None
- **Previous TDHCA #:**
- **Initial Construction Year:**
  - **Units Demolished:** 0
  - **Units Reconstructed:**
- **# of Non-Contiguous Sites:**
- **# of Census Tracts:** 1
- **Target Population:** General
- **Development Address:** NWQ of Steves Ave and Roosevelt Ave san antonio, TX 78210
- **ETJ?:** N
- **County:** Bexar
- **Region:** 9
- **Rural/Urban:** Urban
- **Census Tracts:** 48029140200
- **Total LI Units:** 120
- **Total MR Units:** 0
- **Total Units:** 120
- **HTC Request:** $1,500,000.00
- **Pre-App Fee Due:** $1,200.00
- **Has Fee already been submitted?:** No
- **Name on Check:**
- **Check Number:** none
- **Set-Aside Election:**

## Notifications

- **U.S. Representative:** Lloyd Doggett  
  **District:** 35
- **State Senator:** Jose Menendez  
  **District:** 26
- **State Representative:** Roland Gutierrez  
  **District:** 119
<table>
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<th>Criteria</th>
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<td>Unit Sizes</td>
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<td>Most in Need Total</td>
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Criteria Promoting Community Support and Engagement

Commitment of Development Funding by Local Political Subdivision: 1
Declared Disaster Area: 10
Community Support and Engagement Total: 11

Criteria Promoting Efficient Use of Limited Resources and Applicant Accountability

Financial Feasibility: 26
Cost of Development per Square Foot: 12
Pre-Application Participation: 6
Leveraging Private, State and Federal Resources: 3
Extended Affordability: 4
Historic Preservation: 0
Right of First Refusal: 0
Funding Request Amount: 1
Efficient Use of Limited Resources and Applicant Accountability Total: 52
Point Adjustment: 0 points
Total Applicant Self-Score: 130

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

Readiness to Proceed: 0 points
Government Support: 17 points
Quantifiable Community Participation: 4 points
Community Support from a State Representative: 8 points
Input from Community Organizations: 4 points
Concerted Revitalization Plan: 7 points

Attachments and Certifications

Site Control Documentation: Valiente_Contract.pdf
Census Tract Map: census_steves_final.pdf
Neighborhood Risk Factors:
Other Pertinent Information:
1. PARTIES: Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: L & H Leasing Co., Ltd., a Texas limited partnership

Address: 2001 S. Laredo St., San Antonio, Texas 78207 Attention: Mr. Neal Leonard
Phone: 210-532-3241 E-mail: nleonard@leonardhc.com
Fax: Other:

Buyer: Versa Development, LLC, a Texas limited liability company Attn: Manish Verma

Address: 4733 College Park, Suite 200 San Antonio, Texas 78249
Phone: 210-273-8484 E-mail: manishv@versadevco.com
Fax: Other:

2. PROPERTY:

A. "Property" means that real property situated in Bexar County, Texas at
647 Steves Avenue, San Antonio, Texas

and that is legally described on the attached Exhibit A. or as follows:

, including but not limited to those authorized in Edwards Aquifer Authority Permit No. P108-936(BE00119) recorded under County Clerk File Number 20190004289, of the Official Public Records of Bexar County, Texas,

B. Seller will sell and convey the Property together with:

(1) all buildings, improvements, and fixtures;
(2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, goryes, and rights-of-way;
(3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
(4) Seller's interest in all licenses and permits related to the Property;
(5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
(6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
(7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except: personal property removed by Seller prior to closing

Any personal property not included in the sale must be removed by Seller prior to closing.

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
(If mineral rights are to be reserved an appropriate addendum should be attached.)
(If the Property is a condominium, attach Commercial Contract Condominium Addendum (TAR-1930) or (TAR-1946).)

3. SALES PRICE: At or before closing, Buyer will pay the following sales price for the Property:

A. Cash portion payable by Buyer at closing .................. $ 3,929,112.00
B. Sum of all financing described in Paragraph 4 .................. $ 3,929,112.00
C. Sales price (sum of 3A and 3B) .................. $ 3,929,112.00

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Commercial Contract - Improved Property concerning **647 Steves Avenue, San Antonio, Texas**

4. **FINANCING**: Buyer will finance the portion of the sales price under Paragraph 3B as follows:

- **A. Third Party Financing**: One or more third party loans in the total amount of $___________. This contract:
  - (1) is not contingent upon Buyer obtaining third party financing.
  - (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TAR-1931).

- **B. Assumption**: In accordance with the attached Commercial Contract Financing Addendum (TAR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be $___________.

- **C. Seller Financing**: The delivery of a promissory note and deed of trust from Buyer to Seller under the terms of the attached Commercial Contract Financing Addendum (TAR-1931) in the amount of $___________.

5. **EARNEST MONEY**:

- **A.** Not later than 3 days after the effective date, Buyer must deposit $1,000.00 as earnest money with Chicago Title of Texas, LLC at 15727 Anthem Pkwy, Suite 210, San Antonio, TX 78249 (address) Robert Jordan (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller’s other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.

- **B.** Buyer will deposit an additional amount of $___________. with the title company to be made part of the earnest money on or before:
  - (i) ______ days after Buyer’s right to terminate under Paragraph 7B expires; or
  - (ii) ______.

  Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.

- **C.** Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. **TITLE POLICY, SURVEY, AND UCC SEARCH**:

- **A. Title Policy**: pay the basic title policy premium to

(1) Seller, at Seller’s expense, will furnish Buyer an Owner’s Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
  - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
  - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.

(2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
  - (a) will not be amended or deleted from the title policy, at the option of buyer,
  - (b) will be amended to read "shortages in areas" at the expense of buyer.

(3) Within 21 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer’s address.
Commercial Contract - Improved Property concerning 647 Steves Avenue, San Antonio, Texas

B. Survey: Within 45 days after the effective date:

X (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer $0.00 (insert amount) of the cost of the survey at closing, if closing occurs.

☐ (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.

☐ (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, [Seller] [Buyer] (updating party), will, at the updating party's expense, obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to the other party and the title company within 30 days after the title company notifies the parties that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 30 days if necessary for the updating party to deliver an acceptable survey within the time required. The other party will reimburse the updating party ________% (insert amount or percentage) of the cost of the new or updated survey at closing, if closing occurs.

C. UCC Search:

☐ (1) Within ______ days after the effective date, Seller, at Seller's expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show, as debtor, Seller and all other owners of the personal property in the last 5 years.

X (2) Buyer does not require Seller to furnish a UCC search.

D. Buyer's Objections to the Commitment, Survey, and UCC Search:

(1) Within 15 days after Buyer receives the last of the commitment, copies of the documents evidencing the title exceptions, any required survey, and any required UCC search, Buyer may object to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title to the real or personal property described in Paragraph 2 other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If the commitment or survey is revised or any new document evidencing a title exception is delivered, Buyer may object to any new matter revealed in such revision or new document. Buyer's objection must be made within the same number of days stated in this paragraph, beginning when the revision or new document is delivered to Buyer. If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date Buyer actually receives the survey; or (ii) the deadline specified in Paragraph 6B.

(2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.
647 Steves Avenue, San Antonio, Texas

(3) Buyer’s failure to timely object or terminate under this Paragraph 6D is a waiver of Buyer’s right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller’s expense, will complete the following before closing: AS IS, Where is with all faults

B. Feasibility Period: Buyer may terminate this contract for any reason within _______ days after the effective date (feasibility period) by providing Seller written notice of termination.

(1) Independent Consideration. (Check only one box and insert amounts.)

☐ (a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less $ _______ that Seller will retain as independent consideration for Buyer’s unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B. (and not as earnest money)

☐ (b) Not later than 3 days after the effective date, Buyer must pay Seller $ 5,000.00 as independent consideration for Buyer’s right to terminate by tendering such amount to Seller or Seller’s agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Feasibility Period Extension: Prior to the expiration of the initial feasibility period, Buyer may extend the feasibility period for a single period of an additional _______ days by depositing additional earnest money in the amount of $ _______ with the title company. If no dollar amount is stated in this Paragraph or if Buyer fails to timely deposit the additional earnest money, the extension of the feasibility period will not be effective.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer’s expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

(2) Seller, at Seller’s expense, will turn on all utilities necessary for Buyer to make inspections, studies, or assessments.

(3) Buyer must:

(a) employ only trained and qualified inspectors and assessors;

(b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;

(c) abide by any reasonable entry rules or requirements of Seller;

(d) not interfere with existing operations or occupants of the Property; and

(e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(4) Except for those matters that arise from the negligence of Seller or Seller’s agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from
Commercial Contract - Improved Property concerning 647 Steves Avenue, San Antonio, Texas

Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract, including (without limitation) that caused by Seller's negligence other than Seller's sole or gross negligence.

D. Property Information:

(1) Delivery of Property Information: Within 14 days after the effective date, Seller will deliver to Buyer: (Check all that apply.)

[X] (a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;

[X] (b) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;

[X] (c) a current inventory of all personal property to be conveyed under this contract and copies of any leases for such personal property;

[X] (d) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;

[X] (e) copies of all current service, utility, maintenance, and management agreements relating to the ownership and operation of the Property;

[X] (f) copies of current utility capacity letters from the Property’s water and sewer service provider;

[X] (g) copies of all current warranties and guaranties relating to all or part of the Property;

[h] copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;

[i] copies of all leasing or commission agreements that currently relate to the tenants of all or part of the Property;

[j] a copy of the “as-built” plans and specifications and plat of the Property;

[k] copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;

[l] a copy of Seller's income and expense statement for the Property from ______________ to ______________;

[m] copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;

[n] real and personal property tax statements for the Property for the previous 2 calendar years;

[o] Tenant reconciliation statements including, operating expenses, insurance and taxes for the Property from ______________ to ______________; and

[p] Only items listed in checked items above in Seller's possession are required to be provided by Seller.

(2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: (Check all that apply.)

[X] (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;

[X] (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and

[X] (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

This Paragraph 7D(2) survives termination of this contract.

E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 28 or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval. Such approval not to be unreasonably withheld, conditioned or delayed.
8. LEASES: The Property is not being leased.

A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:
   (1) any failure by Seller to comply with Seller's obligations under the leases;
   (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
   (3) any non-occupancy of the leased premises by a tenant;
   (4) any advance sums paid by a tenant under any lease;
   (5) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
   (6) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

B. Estoppel Certificates: Within ______ days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than ________________________ by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TAR Form 1938 - Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

9. BROKERS:

A. The brokers to this sale are:

   Principal Broker: Headwaters Urban
   Agent: Drew Smith
   Address: 203 East Jones Ave. STE. 104
   San Antonio TX 78215
   Phone & Fax: (210) 393-8382
   E-mail: drew@headwatersurban.com
   License No.: ________________________

   Cooperating Broker: N/A
   Agent: ________________________
   Address: ________________________
   Phone & Fax: ________________________
   E-mail: ________________________
   License No.: ________________________

   Principal Broker: (Check only one box)
   X represents Seller only.
   represents Buyer only.
   is an intermediary between Seller and Buyer.

   Cooperating Broker represents Buyer.

B. Fees: (Check only (1) or (2) below.)
(Complete the Agreement Between Brokers on page 14 only if (1) is selected.)

   X (1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller.
   Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.

   (2) At the closing of this sale, Seller will pay:

   (TAR-1801) 4-1-18 Initialed for Identification by Seller and Buyer

   Page 6 of 14
Commercial Contract - Improved Property concerning

Principal Broker a total cash fee of: ______________ % of the sales price.

Cooperating Broker a total cash fee of: ______________ % of the sales price.

The cash fees will be paid in ______________ Bexar County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

A. The date of the closing of the sale (closing date) will be on or before the later of:
   (1) ______________ days after the expiration of the feasibility period.
   (2) ______________ (specific date).

      August 15, 2020

   (2) 7 days after objections made under Paragraph 8D have been cured or waived.

B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15 or as set forth in the Addendum attached thereto.

C. At closing, Seller will execute and deliver to Buyer, at Seller's expense, a □ general □ special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:
   (1) with no liens, assessments, or Uniform Commercial Code or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
   (2) without any assumed loans in default; and
   (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.

D. At closing, Seller, at Seller's expense, will also deliver to Buyer:
   (1) tax statements showing no delinquent taxes on the Property;
   (2) a bill of sale with warranties to title conveying title, free and clear of all liens, to any personal property defined as part of the Property in Paragraph 2 or sold under this contract;
   (3) an assignment of all leases to or on the Property;
   (4) to the extent that the following items are assignable, an assignment to Buyer of the following items as they relate to the Property or its operations:
      (a) licenses and permits;
      (b) service, utility, maintenance, management, and other contracts; and
      (c) warranties and guaranties;
   (5) a rent roll current on the day of the closing certified by Seller as true and correct;
   (6) evidence that the person executing this contract is legally capable and authorized to bind Seller;
   (7) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and
   (8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.

E. At closing, Buyer will:
   (1) pay the sales price in good funds acceptable to the title company;

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Initialed for Identification by Seller __________ and Buyer __________
condemnation provisions of this contract
Commercial Contract - Improved Property concerning 647 Steves Avenue, San Antonio, Texas

(2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
(3) sign and send to each tenant in the Property a written statement that:
   (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
   (b) specifies the exact dollar amount of the security deposit;
(4) sign an assumption of all leases then in effect; and
(5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.

F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

11. POSSESSION: Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

12. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this contract. (If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)

Provisions set forth in the Addendum attached hereto.

except where such additional clauses are necessary in order for the closing documents to conform to the terms of this contract

13. SALES EXPENSES:

A. Seller's Expenses: Seller will pay for the following at or before closing:
   (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
   (2) release of Seller's loan liability, if applicable;
   (3) tax statements or certificates;
   (4) preparation of the deed and any bill of sale;
   (5) one-half of any escrow fee;
   (6) costs to record any documents to cure title objections that Seller must cure; and
   (7) other expenses that Seller will pay under other provisions of this contract.

B. Buyer's Expenses: Buyer will pay for the following at or before closing:
   (1) all loan expenses and fees;
   (2) preparation fees of any deed of trust;
   (3) recording fees for the deed and any deed of trust;
   (4) premiums for flood and hazard insurance as may be required by Buyer's lender;
   (5) one-half of any escrow fee; and
   (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

A. Prorations:

   (1) Interest on any assumed loan, taxes, rent, and any expense reimbursements from tenants will be prorated through the closing date.

(TAR-1801) 4-1-18 Initiated for Identification by Seller [ ] and Buyer [ ]

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(2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.

(3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

C. Rent and Security Deposits: At closing, Seller will deliver to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

15. DEFAULT:

A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(4) which Seller may pursue.

B. If, without fault, Seller is unable within the time allowed to deliver the Title transfers, surveys or the commitment, Buyer may:
   (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
   (2) extend the time for performance up to 15 days and the closing will be extended as necessary.

C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:

   (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
   (2) enforce specific performance, or seek such other relief as may be provided by law, or both.

16. CASUALTY LOSS AND CONDEMNATION:

A. If any part of the Property is damaged or destroyed by fire or other casualty after the effective date, Buyer must restore the Property to its previous condition as soon as reasonably possible and not later than the closing date. If, without fault, Seller is unable to do so, Buyer may:
   (1) terminate this contract and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer;
   (2) extend the time for performance up to 15 days and closing will be extended as necessary; or
   (3) accept at closing: (i) the Property in its damaged condition; (ii) an assignment of any insurance proceeds Seller is entitled to receive along with the insurer's consent to the assignment, and (iii) a credit to the sales price in the amount of any unpaid deductible under the policy for the loss.

Buyer is advised that Seller may not have property insurance covering the Property.
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B. If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:
   (1) terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer; or
   (2) appear and defend the condemnation proceedings and any award will, at Buyer’s election, belong to: (a) Seller and the sales price will be reduced by the same amount; or (b) Buyer and the sales price will not be reduced.

17. ATTORNEY’S FEES: If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney’s fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:
   A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer’s closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.
   B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.
   C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
   D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursal of the earnest money.
   E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.
   F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney’s fees; and (iv) all costs of suit.
   G. [ ] Seller [X] Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: (Check only one box.)
   [ ] A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TAR 1460).
   [X] B. Except as otherwise provided in this contract, Seller is not aware of:
      (1) any subsurface structures, piles, wells, springs, or improvements;
      (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
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(3) any environmental hazards or conditions that materially affect the Property;
(4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
(5) whether radon, asbestos containing materials, urea formaldehyde foam insulation, lead based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
(6) any wetlands, as defined by federal or state law or regulation, on the Property;
(7) any threatened or endangered species or their habitat on the Property;
(8) any present or past infestation of weed destroying insects in the Property's improvements;
(9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
(10) any material physical defects in the improvements on the Property; or
(11) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(11) in Paragraph 12 or an addendum.)

20. NOTICES: All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

X A. Seller also consents to receive any notices by e-mail at Seller’s e-mail address stated in Paragraph 1.
X B. Buyer also consents to receive any notices by e-mail at Buyer’s e-mail address stated in Paragraph 1.

21. DISPUTE RESOLUTION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

22. AGREEMENT OF THE PARTIES:

A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.

B. This contract contains the entire agreement of the parties and may not be changed except in writing.

C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.

D. Addenda which are part of this contract are: (Check all that apply.)
X (1) Property Description Exhibit identified in Paragraph 2;
(2) Commercial Contract Condominium Addendum (TAR-1930) or (TAR-1946);
(3) Commercial Contract Financing Addendum (TAR-1931);
(4) Commercial Property Condition Statement (TAR-1408);
(5) Commercial Contract Addendum for Special Provisions (TAR-1940);
(6) Addendum for Seller’s Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TAR-1906);
(7) Notice to Purchaser of Real Property in a Water District (MUD);
(8) Addendum for Coastal Area Property (TAR-1915);
(9) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916);
X (10) Information About Brokerage Services (TAR-2501); and
(11) Information About Mineral Clauses in Contract Forms (TAR-2509); and
X (12) ADDENDUM TO COMMERCIAL CONTRACT – IMPROVED PROPERTY

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(Note: Counsel for the Texas Association of REALTORS® (TAR) has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by TAR are appropriate for use with this form.)

only to an affiliate of Buyer or in connection with a 1031 exchange

E. Buyer ☒ may ☐ may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all of Buyer’s obligations under this contract.

23. TIME: Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. EFFECTIVE DATE: The effective date of this contract for the purpose of performance of all obligations is the date the title company receipt this contract after all parties execute this contract.

25. ADDITIONAL NOTICES:

A. Buyer should have an abstract covering the Property examined by an attorney of Buyer’s selection, or Buyer should be furnished with or obtain a title policy.

B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.

C. Notice Required by §13.257, Water Code: “The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property.” The real property is described in Paragraph 2 of this contract.

D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included as part of this contract (the Addendum for Coastal Area Property (TAR-1915) may be used).

E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916) may be used).

F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality’s ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.

G. If apartments or other residential units are on the Property and the units were built before 1978, federal law requires a lead-based paint and hazard disclosure statement to be made part of this contract (the Addendum for Seller’s Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TAR-1906) may be used).

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H. Section 1958.154, Occupations Code requires Seller to provide Buyer a copy of any mold remediation certificate issued for the Property during the 5 years preceding the date the Seller sells the Property.

I. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.

J. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment’s normal operating level, Seller hereby notifies Buyer: “The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions.”

K. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder’s spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable:

26. CONTRACT AS OFFER: The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on __________________, the offer will lapse and become null and void.

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

Seller: L&H Leasing Co., Ltd.

By: KEL-GP, Ltd. as Texas limited liability, its G.P.
By (signature): __________________________
Printed Name: Neal E. Leonard
Title: Manager

Buyer: Versa Development, LLC

By: __________________________
By (signature): __________________________
Printed Name: Manish Verma
Title: Sole Member and Manager

(TAR-1801) 4-1-18
AGREEMENT BETWEEN BROKERS
(use only if Paragraph 9B(1) is effective)

Principal Broker agrees to pay ______________________ (Cooperating Broker) a fee when the Principal Broker’s fee is received. The fee to be paid to Cooperating Broker will be:

- $_________, or
- ________% of the sales price, or
- ________% of the Principal Broker’s fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker’s fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: __________________________ Cooperating Broker: __________________________

By: __________________________ By: __________________________

ATTORNEYS

Seller’s attorney: Michael A. Morell
Elder Bray & Bankler
Address: 755 E. Mulberry, Suite 450
San Antonio, Texas 78212
Phone & Fax: Phone: 210-424-4523
E-mail: mmorell@elderbray.com

Buyer’s attorney: Rick Morrow, Partner
Locke Lord LLP
Address: 600 Congress Avenue, Suite 2200
Austin, Texas 78701
Phone & Fax: P: 512.305.4709 | F: 512.391.4709
E-mail: rmorrow@lockelord.com

Seller’s attorney requests copies of documents, notices, and other information:
- [X] the title company sends to Seller.
- [X] Buyer sends to Seller.

Buyer’s attorney requests copies of documents, notices, and other information:
- [X] the title company sends to Buyer.
- [X] Seller sends to Buyer.

ESCROW RECEIPT

The title company acknowledges receipt of:
- [X] A. the contract on this day 1/8/2020 (effective date);
- [X] B. earnest money in the amount of $1,000.00 in the form of wire transfer on 1/13/2020.

Title company: Chicago Title of Texas, LLC
Address: 15727 Anthem Pkwy, Suite 210
San Antonio, TX 78249
Phone & Fax: 210.482.3701
E-mail: robert.jordan@ctt.com

Assigned file number (GF#): 4300112003555

(TAR-1501) 4-1-18
ADDENDUM TO COMMERCIAL CONTRACT – IMPROVED PROPERTY

This Addendum (this “Addendum”) is part of a Commercial Contract - Improved Property between [L & H Leasing Co., Ltd., a Texas limited partnership], as Seller, and Versa Development, LLC, a Texas limited liability company, as Buyer, with respect to property known as 647 Steves Avenue, San Antonio, Texas (“the Contract” or “this Contract”). Terms used and not otherwise defined in this Addendum have the meanings assigned to them in other portions of the Contract.

Section 1. Option Fees. In addition to the independent consideration payment set forth in Paragraph 7B(1)(b) of the Contract, Buyer shall pay Seller as an option fee (and not as earnest money) for the right to terminate this Contract as set forth in Paragraph 7B(1)(b) of the Contract, said fee being due and payable in four (4) installments of $10,000.00 each, with the one such installments being owing, due and payable on each of April 15, 2020, May 15, 2020, June 15, 2020, and July 15, 2020 (such installments, to the extent received by Seller, being referred to herein as the “Option Fee”). If Buyer fails to pay any such installment on or before five (5) days after the said installment is due, Seller may, as Seller's sole remedy for such failure, terminate this Contract by giving written notice of such termination to Buyer before Buyer pays such installment, in which event this Contract will terminate and any earnest money theretofore delivered by Buyer to the title company will be returned to Buyer. The Option Fee will be applicable to the Sales Price, but will be non-refundable to Buyer except in the event of a Refunding Event as defined below. A “Refunding Event” is defined as Seller being in default under this Contract:

a. due to Seller being unwilling or unable on the closing date to convey title to the Property to Buyer free and clear of (A) any lien, mortgage or other similar encumbrance in the nature of a lien (other than the statutory lien for real property taxes that are not yet delinquent) (B) any material title matter created by, through or under Seller and not deemed to be a title exception permitted by this Contract, and (C) any material title matter created by Seller without the written consent of Buyer on or after the effective date, and such default is not cured within ten (10) days after the date Buyer delivers written notice to Seller of such title matter; or

b. by willfully and unreasonably refusing to cooperate with the Title Company in the issuance of the title policy in connection with the closing and such default continues for ten (10) days after Seller is given written notice of such default.

Section 2. Property Investigation. In connection with Buyer’s investigation of the Property, Buyer will:

a. cause its property inspectors to have reasonably adequate insurance customary for inspectors, with Buyer and Seller as additional insureds, evidence of which is to be provided to Seller upon request; and

b. not allow any liens to attach to the Property as a result of Buyer’s investigation.
Section 3. Property Information. Portions of the property information and other information regarding the Property delivered or made available to Buyer by Seller may have been prepared by third parties (for example, the Terracon Environmental Reports noted below), and Seller makes no representation that Seller has made any independent investigation or verification of, and Seller has no responsibility for, the accuracy or completeness of such information prepared by third parties. Although Seller confirms that Seller conducted a good-faith review of its files to identify documents of the types listed in Paragraph 7D(1), Seller does not warrant that such review uncovered all documents in Seller's possession that could be construed as falling within such types of documents.

Section 4. Property Sold “AS IS”. As a material part of the consideration of this Contract, Seller and Buyer agree that, except with respect to any express representations set forth in this Contract or in the documents executed by Seller at Closing, Buyer is taking the Property “AS IS” with any and all latent and patent defects and faults, and there are no implied warranties given by Seller, including that there is no warranty that the Property is fit for a particular purpose. Buyer acknowledges and agrees that, except with respect to any express representations set forth in this Contract or in the documents executed by Seller at Closing (“Express Representations”), Buyer is not relying, and will not rely, upon any representation, statement or other assertion by Seller, any agent of Seller, or any person purporting to act on behalf of Seller, with respect to the Property, but is relying solely upon Buyer’s examination of the Property in closing Buyer’s purchase of the Property, except with respect to any Express Representations. Buyer takes the Property with the understanding that there are no express or implied warranties by Seller except with respect to any Express Representations and any express warranties set forth in this Contract or in the documents executed by Seller at Closing. Buyer acknowledges that no third party (including, without limitation, any real estate agent or broker representing Seller) is authorized to make any representation or warranty on behalf of Seller, and that the surveyor or engineer that prepared or prepares the survey or surveys of the Property, and any third party that prepared or prepares any report regarding the Property, and the escrow agent, the closer and the title company, are not agents of Seller. Accordingly, any statements or representations set forth in the survey, or in any such report, or in any materials from the escrow agent, the closer or the title company, shall not be imputed to Seller through the principles of agency or otherwise. It is understood and agreed that the Sales Price reflects that all of the Property is sold and conveyed by Seller and purchased and accepted by Buyer subject to the foregoing. The terms of this Section shall survive the Closing of the transaction contemplated by this Contract.

Section 5. Disclosures of Certain Matters. Without implying any representations as to the Property, Seller would like to advise Buyer as follows:

a. There may be friable asbestos components and lead based paint located on the Property.
b. A Phase I Environmental Site Assessment report dated December 8, 2016 was prepared with respect to the Property by Terracon Consultants, Inc. (the "Terracon Phase I Environmental Report"), which report sets forth various findings set forth in such report. A copy of such report will be provided to Buyer as part of the property information provided pursuant to Paragraph 7D this Contract.

c. A Limited Site Investigation (LSI) report dated June 19, 2017 was prepared with respect to the Property by Terracon Consultants, Inc. (the "Terracon LSI Report" and together with the Terracon Phase I Environmental Report, the "Terracon Environmental Reports"), which report sets forth various findings set forth in such report. A copy of such report will be provided to Buyer as part of the property information provided pursuant to Paragraph 7D this Contract.

d. There were apparently one or more underground storage tanks located on the Property and/or Seller’s Other Property (as defined below), as discussed in the Terracon Environmental Reports.

e. The Terracon LSI Report indicates that the Total Petroleum Hydrocarbons (TPH) exceeding TCEQ action levels were sampled at locations SB-4 and SB-7 specified in the Terracon LSI Report.

f. Mold may be present in the structures on the Property.

g. The improvements on the Property are likely not in compliance with the Americans with Disabilities Act.

h. Many of the improvements and fences on the Property are in very poor condition.

i. Seller believes the some or all of the Property is in one or more historic districts (namely, the Mission Protection Overlay District as well as the Rio-4 district, and possibly the Mission Historic District), which might affect the ability to obtain approvals for the development of the Property.

j. The Property has suffered some vandalism by persons unknown, including theft of copper wiring and other copper components.

Section 6. Environmental Investigation. Any certificates or questionnaires that Seller executes or completes in connection with Buyer’s environmental review or for Buyer’s environmental consultant, shall not contain any representation or warranty of Seller, provided that Seller will use commercially reasonable efforts to provide Buyer’s environmental consultant with such information as such consultant may need from Seller (and not reasonably available from another source) in order to allow such consultant to perform an environmental review of the Property, without, however, Seller making any representations or warranties.

Section 7. Adjacent Development Agreement. The Property is part of a larger tract owned by Seller and Seller will continue to own such other property after the closing under this Contract (such other property of Seller being referred to herein as “Seller’s Other Property”).
Accordingly, during the feasibility period the parties will use their commercially reasonable best efforts to negotiate in good faith the following related adjacent development matters: (i) the demolition of existing improvements located partially on the Property and partially on Seller's Other Property and cost sharing with respect thereto; (ii) use restrictions; (iii) reciprocal easements (but not reciprocal parking); (iv) to the extent relevant, allocations of such development rights (e.g., utility capacity, impervious cover allowance, etc.) as may be appurtenant to the Property and Seller's Other Property; (v) drainage and grading; (vi) signage; (vii) building set-back lines; and (viii) the plugging of an existing water well on the Property. Such adjacent development matters agreed upon will be set forth in an Adjacent Development Agreement and, with respect to matters that are appropriate to be placed of public record, a recordable agreement (collectively, the "Adjacent Development Agreement"). If the Adjacent Property Agreement is not agreed to by Buyer and Seller during the feasibility period, then either Buyer or Seller may terminate this Contract by written notice to the other party hereto prior to such time that the Adjacent Property Agreement is agreed to by Buyer and Seller, and upon any such termination, the earnest money will be returned to Buyer, and thereupon neither Buyer nor Seller will have any further obligation under this Contract, other than obligations which, by their express terms, survive a termination of this Contract.

Section 8. Conditions Precedent to Buyer's Obligation to Close.

a. Seller's Cure of Certain Title Matters. Buyer's obligation to purchase the Property pursuant to this Contract is conditioned on Seller's cure to the reasonable satisfaction of Buyer of matters objected to by Buyer pursuant to Paragraph 6D(1) with respect to which Seller has committed in writing to cure pursuant to Paragraph 6D(2). If Seller does not so cure such matters on or prior to the closing date, Buyer may, at Buyer's option, (i) terminate this Contract and receive a refund of the earnest money, and upon such termination, the parties shall be relieved of all liability hereunder except for the obligations of the parties that this Contract provides are to survive the termination of this Contract, or (ii) pursue such other remedies as may be available to Buyer for Seller failing to comply with any such commitment to cure.

b. Condition Regarding Title Company's Undertaking with Respect to Title Policy Requirements. Buyer's obligation to purchase the Property pursuant to this Contract is conditioned on the Title Company committing to issue to Buyer a standard owner's title insurance policy insuring title to the Property in the amount of the sales price, subject only to standard printed conditions and exceptions included in a Texas standard T-1 form Owner's Policy of Title Insurance and the title exceptions permitted by this Contract. In this regard, Buyer's closing instructions to the title company may provide that the title company is authorized to close the purchase and sale of the Property under this Contract only if the title company is committed to issue to Buyer within a reasonable period of time after the Closing an Owner's Policy of Title Insurance, effective as of the date of the Closing, in the amount of the sales price issued by or through the title company, insuring that Buyer is the owner of the Property, subject only to exceptions to title permitted by this Contract and the standard printed conditions and exceptions included in a Texas standard T-1 form Owner's Policy of Title Insurance. If the title company indicates in writing, without collusion with Buyer to cause the termination of this Contract, that it is unable or unwilling to comply with that aspect of such instructions, Buyer may terminate this Contract and receive a refund of the earnest money, and upon such termination, the parties shall be relieved of all liability hereunder except for the
obligations of the parties that this Contract provides are to survive the termination of this Contract.

Section 9. Plating Condition. To the extent platting or replatting is required by applicable law in order for Seller to lawfully convey the Property to Buyer, Seller's obligation to sell the Property pursuant to this Contract is conditioned on the Property being platted or replatted by Buyer simultaneously with the closing under this Contract (i.e., with the final plat or replat being filed as part of such closing), with all costs and expenses of such plat or replat to be borne solely by Buyer. In this regard, Seller agrees to reasonably cooperate with Buyer in connection with such platting or replatting by Buyer, provided that Seller will not be required to burden Seller's Other Property with dedications or undertake any responsibility or liability for the construction of any public improvements in connection with such platting or replatting.

Section 10. Buyer's Option to extend the Closing Date. Buyer will have the right to extend the Closing Date up to a total of five (5) times, for thirty (30) days each, by, with respect to each extension exercised, delivering written notice of such extension to Seller and the Title Company by electronic mail and by remitting $15,000.00 (each a "Closing Extension Fee") as an extension fee (and not as earnest money) to the Seller on or before the date that is five (5) days prior to the closing date (as the closing date may have previously been extended). The Closing Extension Fees will be applicable to the Sales Price, but will be non-refundable to Buyer except in the event of a Refunding Event.

Section 11. Buyer's Remedies. If Seller defaults under this Contract by failing or refusing to consummate the sale of the Property pursuant to this Contract, or by any other action by Seller, or because Seller's express consent to any action deprives Seller of title to the Property or otherwise prevents Seller from conveying the Property or any part thereof to Buyer substantially in accordance with the terms of this Contract, then Buyer may seek any other remedy available to Buyer at law or in equity, including recovery of damages, provided that any such recovery of damages shall be limited to an amount not to exceed $100,000.00 (such limitation on the recovery of damages not being applicable, however, to any attorney's fees to which Buyer may be entitled under the terms of this Contract).

Section 12. Commissions Indemnity. The parties shall indemnify, defend and hold harmless one another against any loss, liability, damage, cost, claim or expense (including reasonable attorney's fees) incurred by reason of any brokerage commission or finder's fee alleged to be payable because of any act, omission or statement of the indemnifying party. The provisions of this Section shall survive the Closing for a period of one (1) year after the date that the Closing occurs.

Section 13. Refund of Option Fee and Closing Extension Fees. Notwithstanding anything to the contrary set forth in the Contract or this Addendum, if (i) a Refunding Event shall occur, or (ii) the earnest money is to be refunded to Buyer pursuant to the terms of (A) Paragraph 16B(1) of the Contract, (B) Section 7 of this Addendum as a result of Seller failing to use commercially reasonable best efforts to negotiate the Adjacent Development Agreement in good faith, (C) Section 8(a) of this Addendum, or (D) Section 8(b) of this Addendum if the reason the title company states it is unable or unwilling to comply with Buyer's title policy requirements in
Buyer’s closing instructions is because of any willfully wrongful act or omission of Seller, the Option Fee and the Closing Extension Fees shall be refunded to Buyer.

Section 14. Addendum Controls. The terms of this Addendum are incorporated in and made part of the Contract. Notwithstanding anything to the contrary set forth in the Contract or this Addendum, in the event the terms set forth in this Addendum conflict with the terms set forth in the other parts of the Contract, the terms set forth in this Addendum shall control.

Executed as of the effective date.

L & H LEASING CO., LTD., a Texas limited partnership

By: KEL-GP, LLC,
a Texas limited liability company,
its General Partner

By: [Signature]
Near Leonard, Manager

VERSERA DEVELOPMENT, LLC, a Texas limited liability company

By: [Signature]
Manish Verma, Sole Member and Manager

Addendum
Page 6
EXHIBIT A

Property Description

Tract 1:

Lot 36 (New City Block A-20), according to the plat thereof recorded in Volume 4500, Page 162 of the Deed and Plat Records of Bexar County, Texas.

Tract 2:

Lot 35 (New City Block A-20), according to the plat thereof recorded in Volume 4305, Page 289 of the Deed and Plat Records of Bexar County, Texas.

The Property is depicted as follows:
Information About Brokerage Services

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

• A BROKER is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
• A SALES AGENT must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER’S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

• Put the interests of the client above all others, including the broker’s own interests;
• Inform the client of any material information about the property or transaction received by the broker;
• Answer the client’s questions and present any offer to or counter-offer from the client; and
• Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner’s agent through an agreement with the owner, usually in a written listing to sell or management agreement. An owner’s agent must perform the broker’s minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer’s agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant’s agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer’s agent must perform the broker’s minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller’s agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker’s obligations as an intermediary. A broker who acts as an intermediary:

• Must treat all parties to the transaction impartially and fairly;
• May, with the parties’ written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
• Must not, unless specifically authorized in writing to do so by the party, disclose:
  o that the owner will accept a price less than the written asking price;
  o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  o any coincidental information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

• The broker’s duties and responsibilities to you, and your obligations under the representation agreement.
• Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker’s services. Please acknowledge receipt of this notice below and retain a copy for your records.

<table>
<thead>
<tr>
<th>License No.</th>
<th>Email</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>9007251</td>
<td><a href="mailto:mas@overlandpartners.com">mas@overlandpartners.com</a></td>
<td>(210)829-7003</td>
</tr>
<tr>
<td>341816</td>
<td><a href="mailto:mas@overlandpartners.com">mas@overlandpartners.com</a></td>
<td>(210)829-7003</td>
</tr>
<tr>
<td>558961</td>
<td><a href="mailto:drew@headwatersurban.com">drew@headwatersurban.com</a></td>
<td>(210)393-3382</td>
</tr>
</tbody>
</table>

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

11/2/2015

TXR 2501

IABS 1-0 Date

3455 Captured -
The 2020 Qualified Census Tracts (QCTs) and Difficult Development Areas (DDAs) are effective January 1, 2020. The 2020 designations use data from the 2010 Decennial census and three releases of 5-year tabulations from the American Community Survey (ACS): 2010-2014; 2011-2015; and 2012-2016. The designation methodology is explained in the federal Register notice published September 25, 2019.