

**CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE
CITY OF BRYAN AND VIASAT, INC.**

This Chapter 380 Economic Development Agreement (this "Agreement") is entered into by and between the CITY OF BRYAN, TEXAS, a home-rule municipal corporation organized under the laws of Texas (hereinafter referred to as "CITY"), and VIASAT, INC., a Delaware corporation (hereinafter referred to as "COMPANY").

WHEREAS, CITY is authorized and empowered under applicable Texas laws pertaining to economic development to aid in the development of commercial enterprises and redevelopment projects within the geographic boundaries of CITY and its extraterritorial jurisdiction by offering economic and other incentives to prospective new, developing and expanding businesses pursuant to TEXAS LOCAL GOVERNMENT CODE, Chapter 380; and

WHEREAS, CITY desires to stimulate business and commercial activity in the Research Valley Biocorridor (hereinafter referred to as the "Biocorridor") located in both the cities of Bryan and College Station under the Joint Research Valley Biocorridor Development Project; and

WHEREAS, CITY actively seeks economic development prospects in the Biocorridor through participation in and establishment of an economic development program; and

WHEREAS, COMPANY is purchasing property located within the Biocorridor to have developed commercially for its use as a research and manufacturing site; and

WHEREAS, CITY and the City of College Station entered into an Interlocal Cooperation and Joint Development Agreement on December 15, 2011 (hereinafter referred to as the "Joint Agreement"), in which the two cities agree to revenue share an amount equal to certain portion of ad valorem tax revenue assessed and collected against real property, improvements and tangible personal property developed in the Biocorridor; and

WHEREAS, CITY considers COMPANY to be a qualified economic development prospect under the Joint Agreement that will add capital investment, create new jobs in the community, promote local economic development and stimulate business and commercial activity, thus furthering the objectives of the City and its economic development program; and

WHEREAS, in consideration of COMPANY's operation of its business within the Biocorridor and in accordance with the performance measures set forth herein, CITY agrees to grant to COMPANY incentives as set out herein; and

WHEREAS, to ensure that the benefits CITY provides under this Agreement are utilized in a manner consistent with TEXAS LOCAL GOVERNMENT CODE, Chapter 380 and other law, COMPANY agrees to comply with certain conditions for receiving those benefits, including conditions relating to property development, job creation and business operations; and

WHEREAS, as of December 31, 2015, COMPANY had approximately 130 full-time employees in the State of Texas, and COMPANY's calendar year 2015 payroll reported to the Texas Workforce Commission for all full-time employees (some of whom were hired during 2012) was \$7,600,000.00; and

NOW, THEREFORE, for and in consideration of the premises and mutual covenants and promises hereinafter set forth, CITY and COMPANY (each a "Party," collectively, the "Parties") represent and agree as follows:

Article I
Definitions

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

"Affiliate" means any person or entity which directly or indirectly controls, is controlled by or is under common control with COMPANY, during the term of such control. A person or entity will be deemed to be "controlled" by any other person or entity if such other person or entity (a) possesses, directly or indirectly, power to direct or cause the direction of the management of such person or entity whether by contract or otherwise; (b) has direct or indirect ownership of at least fifty percent (50%) of the voting power of all outstanding shares entitled to vote at a general election of directors of the person or entity; or (c) has direct or indirect ownership of at least fifty percent (50%) of the equity interests in the entity.

"Base Year Taxable Value" shall mean the Taxable Value for the Property for the year in which this Agreement is executed.

"Cash Incentive" shall mean that amount of money to be reimbursed annually by CITY to COMPANY as a grant herein calculated upon a percentage of ad valorem taxes assessed for a specified year for the Property, Improvements and Tangible Personal Property in accordance with the terms of this Agreement.

"Completion of Construction" shall mean: (i) substantial completion of the Improvements; and (ii) a final certificate of occupancy has been issued for the all of the Improvements.

"Effective Date" shall mean the date upon which this Agreement is fully executed by all Parties, unless the context indicates otherwise.

"FTE" shall mean any person who is an employee of COMPANY or an Affiliate (excluding temporary or seasonal employees) who is on the payroll in a budgeted position and has an officially scheduled work week of thirty-five (35) hours or more, works at the Property for COMPANY, and who according to COMPANY or Affiliate COMPANY policy is entitled to full benefits as a full-time employee.

"First year of Cash Incentive(s)" shall mean the first calendar year immediately following the date of Completion of Construction.

"Force Majeure" shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such Party), fires, explosions or floods, strikes, slowdowns or work stoppages.

"Gross Payroll" shall mean the sum of the payroll numbers that COMPANY or an Affiliate reports to the Texas Workforce Commission quarterly for FTEs for the four preceding consecutive calendar quarters ending on or prior to a date of measurement under this Agreement.

"Improvements" shall mean the approximately 85,000 square foot facility to be constructed on the Property and other ancillary facilities such as reasonably required parking and landscaping all

together, which shall include a new real and personal property investment of twenty million dollars (\$20,000,000) at time of completion and have a minimum Brazos County Central Appraisal District Property Valuation of fifteen million dollars (\$15,000,000) by January 1, 2019, and as depicted in Exhibit "A" attached hereto and made a part hereof.

"Property" means the real property comprised of approximately 8.6 acres more or less and as depicted in Exhibit "A", not including any improvements constructed on such real property.

"COMPANY" shall mean ViaSat, Inc., a Delaware Corporation qualified to do business in the state of Texas.

"Premises" shall mean collectively, the Property and Improvements following construction thereof, but excluding the Tangible Personal Property.

"Tangible Personal Property" shall mean tangible personal property, equipment and fixtures, excluding inventory and supplies, owned or leased by COMPANY that is added to the Improvements subsequent to the execution of this Agreement.

"Taxable Value" means the appraised value as certified by the Brazos Central Appraisal District as of January 1st of a given year.

Article II General Provisions

2.1 All of the above premises are hereby found to be true and are hereby approved and copied into the body of this Agreement as if copied in their entirety.

2.2 COMPANY covenants and agrees that it will construct the Improvements, and operate and maintain its business on the Premises as set forth in this Agreement, and for the time period and manner as set forth herein.

Article III COMPANY Obligations

3.1 Construction of Improvements. Subject to events of Force Majeure, construction of the Improvements on the Property must commence no later than January 31, 2017 (the "Start Date"), and COMPANY shall notify the CITY of such Start Date. There shall be Completion of Construction, and all necessary occupancy permits from the City shall have been issued and COMPANY shall be fully operational as set forth below in Section 3.2 by no later than April 30, 2018.

3.2 Occupancy. The COMPANY or an Affiliate of COMPANY must continuously occupy and use the Improvements commercially as an administrative and network operations center including customer support (i.e. billing and technical), engineering, warehouse and/or other functions relating to COMPANY's global technology communications business commencing upon Completion of Construction and for each year for which there is a Cash Incentive.

3.3 Jobs Created. COMPANY currently employs 130 FTEs. By the end of the second year following Completion of Construction of the Improvements, COMPANY agrees that it will have created a minimum of 150 new FTEs with an average annual salary of sixty-four thousand five hundred dollars (\$64,500) per job, for a minimum total of 280 FTEs, which COMPANY agrees to have and maintain on the Premises for a total of five years from the date of Completion of Construction of the Improvements throughout the term of this Agreement. In addition to the current annual payroll of seven million six

hundred thousand dollars (\$7,600,000), COMPANY agrees that by the end of the second year following Completion of Construction of the Improvements, it will increase the annual payroll by nine million six hundred thousand dollars (\$9,600,000) for a total annual payroll of seventeen million two hundred thousand dollars (\$17,200,000) according to the Texas Workforce Commission records for full time employees of COMPANY at the Premises. This payroll increase must be achieved and maintained in conjunction with the creation and maintenance of jobs as recited herein.

3.4 COMPANY Reimbursement and waiver of Cash Incentives.

a. If COMPANY does not have timely Completion of Construction and/or fails to occupy the Premises in accordance with Sections 3.1 and 3.2 of this Agreement, COMPANY agrees to reimburse CITY the cash value of all Fee Waivers the CITY has provided to the COMPANY hereunder excluding any reimbursement payments previously made by the COMPANY. The COMPANY shall also reimburse the CITY for any and all reasonable attorney's fees and costs incurred by the CITY as a result of any action required to obtain reimbursement of funds. Such reimbursement shall be due and payable 120 days after the COMPANY receives written notice of default accompanied by copies of all applicable invoices.

b. COMPANY herein waives payment of any Cash Incentives for any year in which it fails to continuously have, operate and maintain the Improvements in accordance with this Agreement, including maintaining the minimum required appraised value, FTEs, operating in the manner represented herein, and being and staying operational and to reimburse CITY for any Cash Incentives made in contravention of the terms of this Agreement.

3.5 Reporting Requirement.

(1) While this Agreement is in effect, annually within 60 calendar days following the anniversary date of the Effective Date of this Agreement, the COMPANY will certify to the CITY that it has complied with the terms of this Agreement and provide sufficient written information, records, and documents, to support its certification of compliance. Additionally, COMPANY agrees to report whether the required jobs to be created and maintained in accordance with this Article have been met by the end of the second year following Completion of Construction of the Improvements, and every year thereafter that this Agreement is in effect, as certified by a Certified Public Accountant at COMPANY's expense, and signed by a legally authorized executive of the COMPANY.

(2) COMPANY further agrees to provide documentation, including, but not limited to, Texas Workforce Commission quarterly reports, demonstrating that COMPANY met the employment and job creation targets for the preceding year when required.

(3) Upon the City's written request, the COMPANY will promptly provide to the City any additional information reasonably necessary for the City to determine if the COMPANY has complied with this Agreement.

(4) The COMPANY will allow the City reasonable access to the Property during regular business hours to inspect the Property and Improvements to verify that COMPANY is complying with the terms of this Agreement.

3.6 Compliance with applicable law. The Property and the Improvements constructed thereon at all times shall be constructed, operated and used in the manner (i) that is consistent with CITY's Code of Ordinances, as amended, including its Uniform Development Code; (ii) that is in accordance with all applicable state and local laws, codes, and regulations; and (iii) that, during the period Cash Incentives are provided hereunder, is in accordance with the Joint Agreement and consistent with the general purposes of encouraging development or redevelopment within the Biocorridor.

3.7 Ownership. COMPANY agrees to have it or one of its Affiliates continuously occupy and conduct operations on the Premises for a period of at least seven (7) years from the Effective Date in the manner set forth in this Agreement. COMPANY may sell, assign or otherwise transfer the Property to a third party to develop and/or to act as landlord of COMPANY. In such event CITY consent shall not be required provided COMPANY continues to occupy and operate the Premises within the time and in the manner as set forth in this Agreement.

3.8 Disclosure Requirements. When applicable, COMPANY agrees to comply with all applicable disclosure requirements, including those under Section 2252.908 Texas Government Code when entering into a contract that requires approval of the governing body of the CITY unless falling within certain exceptions, and Chapter 176 Texas Local Government Code for vendor disclosure requirements for certain business relationships with local government officers or their family members.

Article IV
CITY's Obligations

4.1 Fast Tracking. CITY agrees to expedite by fast tracking the process for COMPANY to obtain any and all necessary CITY permits related to the Improvements.

4.2 Cash Incentive.

a. Subject to the terms and conditions of this Agreement, and provided that the combined Taxable Value for the Improvements, Property and Tangible Personal Property is at least Fifteen Million Dollars (\$15,000,000.00) additional value above Base Year Taxable Value beginning January 1st following the First Year of Cash Incentives and as of January 1st of each year thereafter this Agreement is in effect, CITY hereby grants an annual Cash Incentive to COMPANY in the following amounts expressed as a percentage of the Shared Revenue (as that term is defined in the Joint Agreement) actually received by City from the City of College Station for the Property described in Exhibit "A".

<u>Year</u>	<u>Annual Cash Incentive</u>
First Year of Cash Incentives	80%
Year 2	60%
Year 3	40%
Year 4	30%
Year 5	20%
Year 6	10%

b. The total amount of Cash Incentive will in no event exceed a cumulative total of forty-three thousand two hundred dollars (\$43,200.00), at which time CITY's obligation to grant Cash Incentives to COMPANY ends.

c. CITY will remit the annual Cash Incentive to COMPANY no later than March 31st following

the First Year of Cash Incentive COMPANY meets all the requirements entitling it to such payment.

d. During the period of the Cash Incentives herein authorized, COMPANY shall be subject to all taxation, including but not limited to, sales tax and ad valorem taxation; provided this Agreement does not prohibit COMPANY from claiming any exemptions from tax provided by applicable law.

4.3 Right to offset. CITY may, at its option, offset any amounts due and payable under this Agreement, including Cash Incentive payments, against any debt (including taxes) lawfully due to CITY from COMPANY, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise, and regardless of whether or not the debt due CITY has been reduced to judgment by a court; provided, however (i) CITY shall provide COMPANY notice within thirty (30) calendar days of determining that any debt is believed lawfully due to CITY from COMPANY; (ii) COMPANY shall have an opportunity to resolve or pay such debt to CITY within thirty (30) calendar days after receipt of notice before any offset to amounts payable under this Agreement may occur; and (iii) COMPANY retains all rights to timely and properly contest whether or in what amount any debt is owed to CITY, and CITY may not offset any asserted amount of debt owed by COMPANY against amounts due and owing under this Agreement during any period during which COMPANY is timely and properly contesting whether such amount of debt is due and owing.

Article V Conditions Precedent

5.1 CITY's obligations under this Agreement are contingent upon the purchase of the Property by the COMPANY or its assignee who will act as COMPANY's landlord for the Property, by December 31, 2016, in accordance with that one certain Purchase and Sale Agreement a copy of which is attached hereto and made a part hereof marked as Exhibit "B." Likewise, COMPANY's obligations under this Agreement are contingent upon its purchase of the Property.

5.2 This Agreement is conditioned upon the City of Bryan approving this Agreement as required under the Joint Agreement. Furthermore, the Cash Incentive set forth in this Agreement is contingent upon the City of College Station approving a similar Economic Development Agreement that is approved by the Bryan City Council.

Article VI. Term

6.1 Term. The term of this Agreement shall begin on the Effective Date and shall continue until December 31, 2024, unless terminated sooner pursuant to the terms of this Agreement.

6.2 This paragraph is required by Chapter 2264, Tex. Gov. Code and governs over any conflicting provisions of this Agreement. The COMPANY will not knowingly employ undocumented workers as that term is defined in Section 2264.001, Tex. Gov. Code. If the COMPANY is convicted of a violation under 8 U.S.C. Section 1324a (f), the conviction is a breach of this Agreement and the City Manager of the CITY will send COMPANY written notice that the COMPANY has violated this paragraph and that the Agreement terminates 30 calendar days from the date of the notice.

Article VII Default

7.1 If COMPANY defaults in any term or condition of this Agreement, then CITY shall not be obligated to provide Fee Waivers or Cash Incentives for that year in which the default occurred.

7.2 CITY shall give to COMPANY notice of any default. To the extent a default may be cured, COMPANY shall have the right, but not the obligation, to cure the default within thirty (30) calendar days of receiving written notice from CITY. If the default cannot reasonably be cured within a thirty (30) day period, and COMPANY has diligently pursued such remedies as shall be reasonably necessary to cure such default, then CITY shall extend for a reasonable additional length of time the period in which the default must be cured. If COMPANY fails to cure the default within the time provided as specified above or, as such time period may be extended, then CITY at its sole option shall have the right to terminate this Agreement with respect to COMPANY, by written notice to COMPANY.

7.3 It is further understood and agreed by the parties that if COMPANY is convicted of a violation under 8 U.S.C. Section 1324a (f), COMPANY will reimburse CITY the full amount paid to the COMPANY pursuant to this Agreement, with interest at the rate equal to the 90 day Treasury Bill plus ½% (.005) per annum, within 120 days after the CITY notifies the COMPANY of the violation.

7.4 The COMPANY's obligation to reimburse the CITY payments made to COMPANY if the COMPANY breaches this Agreement survives termination of this Agreement.

7.5 It is understood and agreed by the parties that, in the event of a default by the CITY on any of its obligations under this Agreement, the COMPANY's sole and exclusive remedy shall be limited to either i) the termination of this Agreement, or ii) a suit for specific performance.

Article VIII Miscellaneous

8.1 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) calendar days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received as sent by courier or otherwise hand delivered:

If intended for CITY, to:

Attn: City Manager
CITY OF BRYAN, Texas
P.O. Box 1000
Bryan, Texas 77805

With a copy to:

Attn: City Attorney
CITY OF BRYAN, Texas
P.O. Box 1000
Bryan, Texas 77805

If intended for COMPANY, to:

Attn: Director of Real Estate
ViaSat, Inc.
6155 El Camino Real
Carlsbad, CA 92009

8.2 Severability. In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

8.3 Governing Law. This Agreement shall be governed by the laws of the State of Texas without regard to any conflict of law rules. Exclusive venue for any action under this Agreement shall be the

State District Court of Brazos County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

8.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an Original and constitute one and the same instrument.

8.5 Entire Agreement. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

8.6 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

8.7 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by COMPANY (except to an Affiliate of the COMPANY which shall not require prior consent of CITY) without the prior written consent of the City Manager which consent shall not be unreasonably withheld, conditioned or delayed.

8.8 Amendment. No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of CITY and COMPANY.

8.9 Venue and Jurisdiction. Performance and all matters related thereto shall be in Brazos County, Texas, United States of America, and this Agreement shall be construed in accordance with Texas law.

8.10 Authority to Contract. Each Party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each Party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective corporations.

8.11 No Debt. Under no circumstances shall the obligations of CITY hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision; provided, however, CITY agrees during the term of this Agreement to make a good faith effort to appropriate funds each year to pay amounts under this Agreement for the then ensuing fiscal year.

8.12 Waiver. Failure of any Party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of the Agreement, any part hereof, or the right of the Party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the Party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

8.13 Construction. The Parties acknowledge that each Party and its counsel have reviewed and revised this Contract and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

Exhibits:

Exhibit "A" Legal description of the Property

Exhibit "B" Purchase and Sale Agreement for the Property

VIASAT, INC.

By: [Signature]
Printed Name: ROBERT BLAIR
Title: VICE PRESIDENT, DEPUTY GENERAL COUNSEL
Date: 12-8-2016

CITY OF BRYAN

By: [Signature]
Andrew Nelson, Mayor
Date: 12-15-16

ATTEST:

[Signature]
Mary Lynne Stratta, City Secretary
Date: 12-15-16

APPROVED AS TO FORM:

[Signature]
Janis K. Hampton, City Attorney
Date: 12-12-14

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Diego

On December 8, 2016 before me, Harold R. Randolph, Jr. personally appeared Robert J. Blair, of ViaSat, Inc., a Delaware corporation, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)



EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY



VIASAT
CONCEPTUAL SITE PLAN
AUGUST 24, 2016

EXHIBIT "B"
REAL ESTATE CONTRACT - EXECUTED



**TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL CONTRACT - UNIMPROVED PROPERTY**

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2018

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: Bryan / Traditions, LP

Address: 4250 S Traditions Dr. Bryan, TX 77807
Phone: (281)250-0838 E-mail: sclements@traditionsrealestate.com
Fax: _____ Other: _____

Buyer: Viasat, Inc.

Attn: Tina Vallier
Address: 6155 El Camino Real, Carlsbad, CA 92009
Phone: (720)493-6435 E-mail: tina.vallier@viasat.com
Fax: _____ Other: _____

2. **PROPERTY:**

A. "Property" means that real property situated in Brazos County, Texas at HSC Parkway (address) and that is legally described on the attached Exhibit A or as follows:
8.6 acres

B. Seller will sell and convey the Property together with:
(1) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
(2) Seller's interest in all leases, rents, and security deposits for all or part of the Property; and
(3) Seller's interest in all licenses and permits related to the Property.

*(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.)*

3. **SALES PRICE:**

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

(1) Cash portion payable by Buyer at closing \$ 2,247,696.00
(2) Sum of all financing described in Paragraph 4 \$ _____
(3) Sales price (sum of 3A(1) and 3A(2)) \$ 2,247,696.00

(TAR-1802) 1-1-18 Initialed for Identification by Seller EL and Buyer VB Page 1 of 13

B. Adjustment to Sales Price: (Check (1) or (2) only.)

(1) The sales price will not be adjusted based on a survey.

(2) The sales price will be adjusted based on the latest survey obtained under Paragraph 6B.

(a) The sales price is calculated on the basis of \$ 5.00 per:

(i) square foot of total area net area.
 (ii) acre of total area net area.

(b) "Total area" means all land area within the perimeter boundaries of the Property. "Net area" means total area less any area of the Property within:

(i) public roadways;
 (ii) rights-of-way and easements other than those that directly provide utility services to the Property; and
 (iii) _____

(c) If the sales price is adjusted by more than 10.00% of the stated sales price, either party may terminate this contract by providing written notice to the other party within 30 days after the terminating party receives the survey. If neither party terminates the contract or if the variance is less than the stated percentage, the adjustment to the sales price will be made to the cash portion of the sales price payable by Buyer.

4. **FINANCING:** Buyer will finance the portion of the sales price under Paragraph 3A(2) 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 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 \$ 22,000.00 as earnest money with Diversity Title Company (title company) at 1021 University Dr., Ft. Lauderdale, Fla. 33304 (address) Kary Maceman (clerk). 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 AND SURVEY:

A. Title Policy:

- (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.
 - (b) will be amended to read "shortages in areas" at the expense of Buyer Seller.
- (3) Within 20 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.

B. Survey: Within 5 days after the effective date:

- (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/ACSM 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 (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/ACSM 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, at Seller's expense, will obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to Buyer and the title company within 20 days after Seller receives notice that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for Seller to deliver an acceptable survey within the time required. Buyer will reimburse Seller (insert amount) of the cost of the new or updated survey at closing, if closing occurs.

C. Buyer's Objections to the Commitment and Survey:

- (1) Within 10 days after Buyer receives the commitment, copies of the documents evidencing the title exceptions, and any required survey, Buyer may object in writing to matters disclosed in the same if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the same show that any part of the Property lies in a

special flood hazard area (an "A" or "V" zone as defined by FEMA). If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date of Buyer's actual receipt of the survey; or (ii) of 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.

(3) Buyer's failure to timely object or terminate under this Paragraph 6C 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: _____

B. Feasibility Period: Buyer may terminate this contract for any reason within _____ 20 _____ days after the effective date (feasibility period) by providing Seller written notice of termination. (Check only one box.)

(1) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ 100,000 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.

(2) Not later than 3 days after the effective date, Buyer must pay Seller \$ _____ 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.

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) 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.

(3) 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 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.

D. Property Information:

- (1) **Delivery of Property Information:** Within 10 days after the effective date, Seller will deliver to Buyer. *(Check all that apply.)*
- (a) copies of all current leases pertaining to the Property, including any modifications, supplements, or amendments to the leases;
 - (b) 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;
 - (c) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
 - (d) copies property tax statements for the Property for the previous 2 calendar years;
 - (e) plats of the Property;
 - (f) copies of current utility capacity letters from the Property's water and sewer service provider; and
 - (g) _____

- (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.)*
- (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;
 - (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied; and
 - (c) deliver 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 2B 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.

B. LEASES:

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 lease;
- (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (3) any advance sums paid by a tenant under any lease;

- (4) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (5) 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 1936 - 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: Traditions Real Estate Cooperating Broker: None

Agent: Spencer Clements, Jr. Agent: _____

Address: 2100 Traditions Blvd. Address: _____

RYAN, TEXAS 77807 _____

Phone & Fax: (281) 250-9929 Phone & Fax: _____

E-mail: sclements@traditionsreal.com E-mail: _____

License No.: astate.com 882775 License No.: _____

Principal Broker: (Check only one box) Cooperating Broker represents Buyer.

- represents Seller only.
- represents Buyer only.
- is an intermediary between Seller and Buyer.

B. **Fees:** (Check only (1) or (2) below.)
(Complete the Agreement Between Brokers on page 13 only if (1) is selected.)

(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:

Principal Broker a total cash fee of: _____ Cooperating Broker a total cash fee of: _____
 7,500 % of the sales price. _____ % of the sales price.
 _____ % of the sales price. _____ % of the sales price.

The cash fees will be paid in _____ Beckes 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) 10 days after the expiration of the feasibility period
 - _____ (specific date).
 - _____
- (2) 7 days after objections made under Paragraph 6C 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.
- C. At closing, Seller will execute and deliver, 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 inalienable 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 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) an assignment of all leases to or on the Property;
 - (3) to the extent assignable, an assignment to Buyer of any licenses and permits related to the Property;
 - (4) evidence that the person executing this contract is legally capable and authorized to bind Seller;
 - (5) 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 applicable tax law; and (ii) deliver the amount to the Internal Revenue Service (IRS) together with appropriate tax forms; and
 - (6) 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 issuance of the title policy, all of which must be completed by Seller as necessary.
- E. At closing, Buyer will:
- (1) pay the sales price in good funds acceptable to the title company;
 - (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 a lease for any part of 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 or 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.)

See Addendum

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;
 - (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 of any deed of trust;
 - (3) recording fees for the deed and any deed of trust;
 - (4) premiums for flood insurance as may be required by Buyer's lender;
 - (5) one-half of any escrow fee;
 - (6) other expense that Buyer will pay under other provisions of this contract.

14. **PRORATIONS:**

- A. **Prorations:**
- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
 - (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 the 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 tender 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(3) which Seller may pursue, or
(Check if applicable)
 enforce specific performance, or seek such other relief as may be provided by law.
- B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey 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. CONDEMNATION: if before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:

- A. 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 paid under Paragraph 7B(1), will be refunded to Buyer; or
- B. appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to:
(1) Seller and the sales price will be reduced by the same amount; or
(2) 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 disbursement 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 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-1408).
- B. Except as otherwise provided in this contract, Seller is not aware of:
 - (1) any subsurface structures, pits, wells, springs, or improvements;
 - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
 - (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 wood-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 condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(10) 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.

- A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- 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.)
 - (1) Property Description Exhibit Identified in Paragraph 2;
 - (2) Commercial Contract Financing Addendum (TAR-1531);
 - (3) Commercial Property Condition Statement (TAR-1408);
 - (4) Commercial Contract Addendum for Special Provisions (TAR-1940);
 - (5) Notice to Purchaser of Real Property in a Water District (MUD);
 - (6) Addendum for Coastal Area Property (TAR-1918);
 - (7) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1918);
 - (8) Information About Brokerage Services (TAR-2501); and
 - (9) Special Regulations Addendum

(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.)

- E. Buyer may may not assign this contract. If Buyer assigns this contract, Buyer will be released of any future liability under this contract only if the assignee assumes, in writing, all obligations and liability of Buyer 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 receives 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 of the Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract.

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.

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. 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.

H. 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."

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 May 18, 2016, 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: Byron / Traditions, LP

Buyer: ViaSat, Inc.

By: Trishia Acquisti Pappas, CP, LLC
By (signature): [Signature]
Printed Name: Trishia Acquisti Pappas, CP, LLC
Title: Vice President

Attn: Tina Vallier
By: [Signature]
By (signature): [Signature]
Printed Name: Tina Vallier
Title: VP of Sales

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

**Addendum to Commercial Contract - Unimproved
Property**

This Addendum to Commercial Contract - Unimproved Property ("Addendum") is attached to and incorporated into that certain Commercial Contract - Unimproved Property ("Contract") by and between Bryan Traditions, LP ("Seller") and ViaSrt, Inc. ("Buyer").

- A. Whereas, pursuant to the Contract the Seller desires to sell and the Buyer desires to buy the real property therein described being approximately 8.8 acres of land in Brazos County, Texas ("Property"); and
- B. Whereas, Buyer and Seller desire to set forth additional terms and conditions to the Contract.

Now, therefore, in consideration of the mutual covenants herein expressed and as set forth in the Contract, the Seller and Buyer agree as follows:

1. Conflict. In the event of any conflict or ambiguity as between the Contract and this Addendum, this Addendum shall control.
2. Property. The description of the Property at Exhibit A and the Option Property at Exhibit B of the Contract shall be amended and restated with the metes and bounds description of the Property and the Option Property provided in conjunction with the survey procured by Seller, pursuant to Paragraph 6.8, of the Contract.
3. Earnest Money Deposit. The time period of three (3) days referenced in Paragraph 5.A. of the Contract shall be deleted in its entirety and replaced with a time period of five (5) days, such that the Earnest Money shall be deposited by the Buyer with the title company not later than five (5) days from the effective date of the Contract.
4. Buyer's Obligations to the Commitment and Survey. Section 6C of the Contract is hereby deleted in its entirety and replaced with the following:

"On or before the date that is fifteen (15) days prior to the expiration of the Feasibility Date, Buyer may object in writing to matters disclosed in the commitment, copies of the documents evidencing the exceptions, and any required survey if (a) the matters disclosed are a restriction upon the Property or constitute a defect, lien or encumbrance to title other than those permitted by this Contract or hereinafter 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 Buyer makes title objections as referenced in this paragraph the Seller shall have no obligation to cure such objections, and the Buyer's sole remedy shall be the right to terminate as provided for in Paragraph 7.8."

5. Leases. Section 6 of the Contract is hereby deleted in its entirety and replaced with "Leases: None".
6. Covenant. The Property is part of the Additional Property, as that term is defined in the Declaration of Restrictive Covenants and Easements for The BioCorridor District, dated April 29, 2013 and recorded as Document Number 01154166 and at Book OR, Volume 11313, Page 1, in the real property records of Brazos County, Texas (as amended, supplemented or otherwise modified from time to time, the "BioCorridor Declaration"). Contemporaneously with Closing, Seller shall execute and record an amendment to the BioCorridor Declaration (the "Declaration Amendment"), which amendment shall be in form and substance reasonably acceptable to Buyer and shall provide for the following: (1) the addition of the Property to the definition of Property (as defined in the Declaration) and the annexation of the Property into the District; (2) a restriction to be imposed on the Property limiting the use of the Property to the

Development Purpose (as hereinafter defined) for the first (1st) twenty (20) years following the recordation date of the Declaration Amendment and (3) the Repurchase Option described in Section 7 hereof. Within thirty (30) days following the Effective Date of the Contract, Seller shall deliver a draft of the Declaration Amendment to Buyer for review and approval and the parties shall agree on the form of such Declaration Amendment prior to the expiration of the Feasibility Period.

For purposes of this Section 6, the "Development Purpose" shall mean an office building or buildings encompassing not less than approximately 75,000 square feet of office space and related surface parking or other parking facilities.

7. **Repurchase Option.** Prior to the expiration of the Feasibility Period, the Buyer and Seller shall agree on the terms, conditions and form of a repurchase option to be included in the form of Declaration Amendment (the "**Repurchase Option**") by which the Seller will have the right to repurchase the Property if the Buyer fails to commence construction of the Property in accordance with the Development Purpose within eighteen (18) months following the Closing Date. If the Seller elects to exercise the Repurchase Option, the purchase price to be paid by Seller for the Property shall be the Buyer's actual Purchase Price of the Property.

Additionally, prior to the closing of the Option Property (as defined below), Buyer and Seller shall negotiate a new amendment to the BioCenter Declaration, in form and substance reasonably acceptable to the parties (the "**Option Property Amendment**") which amendment shall set forth a separate repurchase option for Seller as to the Option Property, and which shall be substantially similar to the Repurchase Option. Under the terms of the Option Property Amendment, Seller shall have the right to repurchase the Option Property if Buyer fails to commence construction of the surface parking area or other parking facilities or an expansion of the then-existing uses of the Property, within eighteen (18) months following the closing of the Option Property (the "**Option Property Repurchase**"). If the Seller elects to exercise the Option Property Repurchase, the purchase price to be paid by Seller for the Option Property shall be the Buyer's actual Purchase Price of the Option Property.

For purposes of this Section 7, Buyer shall be deemed to have commenced construction of the Property (or the Option Property, as applicable) if Buyer has begun any site work at the Property, including, grading, surfacing, or any movement or excavation of dirt and soils in connection with the construction process.

8. **Option for Additional Land.** At Closing, Seller shall give Buyer an option (the "**Option**") to purchase an additional 4.43 acres of real property situated adjacent to the Property ("**Option Property**") as described on **Exhibit B** hereto. The Option will be subject to the conditions and agreements set forth in the form of the option to be agreed upon prior to the expiration of the Feasibility Period, but which shall include the following terms:

- a. **Term.** The Option on the Option Property will expire sixty (60) months after the Closing Date (the "**Option Term**").
- b. **Price.** During the Option term, the price to be paid by the Buyer for the Option Property shall be as follows:
 - i. \$6.00 per square foot if the Closing on the Option Property occurs on or before December 31, 2017.
 - ii. \$7.00 per square foot if the Closing on the Option Property occurs after December 31, 2017, and on or before December 31, 2018.
 - iii. \$7.50 per square foot if the Closing on the Option Property occurs after December 31, 2018, and on or before December 31, 2019; and
 - iv. \$8.00 per square foot if the Closing on the Option Property occurs after December 31, 2019.

- c. **Restrictive Covenants.** The Option Property is also part of that Additional Property (as defined in the BioCorridor Declaration) Contemporaneously with closing the Option Property, Seller shall execute and record the Option Property Amendment, which amendment shall be in form and substance reasonably acceptable to Buyer and shall provide for the following: (1) the addition of the Option Property to the definition of Property (as defined in the Declaration) and the annexation of the Option Property into the District, (2) a restriction to be imposed on the Option Property limiting the use of the Option Property to (i) an expansion of the then-existing uses on the Property and/or (ii) the expansion of parking on the Option Property to accommodate the Development Purpose of the Property, which restriction shall terminate twenty (20) years following the recordation date of the Option Property Amendment and (3) the Option Property Repurchase described in Section 7 hereof.
9. **Architectural Review Committee Approval.** During the Feasibility Period, Seller shall cooperate with Buyer in obtaining from the Architectural Review Board (as defined in the BioCorridor Declaration) approval for (i) Buyer's intended use of the Property, (ii) site plan and building orientation, (iii) building height, and (iv) general architectural guidelines for the building.
10. **Transfer of Property to Seller.** The parties acknowledge that the Property is currently owned in fee simple by Bryan Commerce and Development, Inc., a Texas municipal corporation ("BCDP") and Seller has certain contractual rights to take title to the Property pursuant to a separate written agreement with BCDP. It shall be a condition to Closing, that on or before the Closing, BCDP shall have conveyed all of its ownership interests in the Property to Seller.
11. **Representations and Warranties.** As an inducement to Buyer to enter into the Contract and this Addendum and to purchase the Property, Seller warrants and represents to Buyer, as follows:
- Seller has the full corporate authority and power to enter into and carry out the terms of the Contract and this Addendum.
 - The execution and delivery of the Contract and this Addendum and the consummation of the transactions herein contemplated in compliance with the terms and conditions of the Contract and this Addendum will not conflict with or, without the giving of notice or passage of time, result in the breach of any term or provision of or constitute a default under any instrument or agreement which the Seller is a party to or which the assets of the Seller are bound or any judgment, order or decree of any court having jurisdiction over the Seller or its properties.
 - No lawsuit or any other legal proceeding has been filed as to the Property nor to Seller's knowledge, has any such lawsuit or legal proceeding been threatened.
 - To the Seller's knowledge, the Property is not subject to any special assessments by any governmental entity. Seller is the "Declarant" under the BioCorridor Declaration and pursuant to Paragraph (4) of the BioCorridor Declaration, Seller has the authorization to amend the BioCorridor Declaration without the approval of any other Owner or mortgagee (as those terms are defined in the BioCorridor Declaration) if such amendment has no adverse effect on any such Owner or Mortgagee.
 - No labor has been performed or material furnished for the Property for which the Seller has not heretofore fully paid, or for which a mechanic's or materialman's lien or liens or any other lien can be claimed by any other person, party or entity.
 - There are no condemnation or eminent domain proceedings pending or, to the Seller's knowledge, contemplated against the Property, any part thereof or any existing access

to the Property and the Seller has received no notice of the desire of any public authority or other entity to use the Property or any part thereof.

- g. To the Seller's knowledge and with no duty or responsibility to investigate, the Property is free from any and all hazardous or toxic substances, materials or wastes and there are no PCB's, underground storage tanks or asbestos on or in the Property.
- h. Seller is not a "foreign person" pursuant to Section 1445 to the Internal Revenue Code of 1986 (as amended) nor is the sale of the Property subject to any withholding requirements imposed by the Internal Revenue Code.
- i. Except as contemplated in the Contract, Seller will not further sell, convey, assign, pledge, encumber, lease or contract to sell, convey, assign, pledge, encumber or lease all or any part of the Property, nor restrict the use of all or any part of the Property, nor take or cause to be taken any action in conflict with the Contract and the Addendum. Seller additionally hereby represents and warrants that no rights of first refusal, right of first offer, or similar agreements exist in connection with the Property which would in any way interfere with Buyer's ability to purchase the Property as provided herein, or which in any way in contravention of the spirit and intent of the Contract or the Addendum.
- j. Seller has not received any written notification from any governmental or public authority stating that the Property is in violation of any applicable building, use, occupancy, zoning or law or ordinance. Further, to Seller's knowledge, the Property is not in violation of any applicable building, use, occupancy, zoning or law or ordinance.

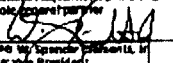
Seller's representations and warranties contained in this Paragraph 11 shall survive for a period of twelve (12) months from the date of Closing.

- 12. **Assignment.** Notwithstanding anything contained in the Contract to the contrary, Buyer may assign this Contract without Seller's prior consent. If Buyer assigns the Contract, Buyer will be relieved of any future liability under the contract if the assignee assumes, in writing, all obligations and liability of Buyer under the Contract.
- 13. **Executings.** This Addendum may be executed in multiple counterparts and a fax or scanned and emailed copy of the signatures of the Seller and Buyer shall be effective for all purposes without the necessity of delivering an original signature.
- 14. **Contract Effective Date.** This Addendum is executed contemporaneous with the Contract and shall have the same effective date as the Contract.
- 15. **Counterparts.** The Contract and this Addendum may be executed in several counterparts, each of which may be deemed an original, and all of such counterparts together shall constitute one and the same Contract.

(signatures on following page)

SELLER:

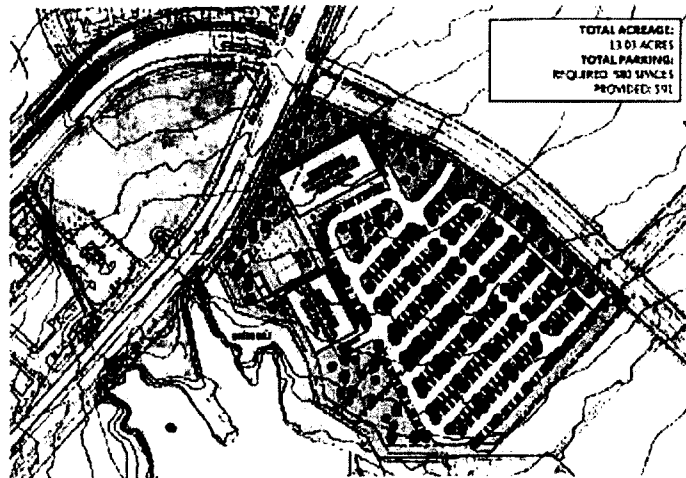
BRYAN/TRADITIONS, LP

By: Traditions Acquisition Partnership GP, LLC,
As sole general partner
By: 
Name of signatory person(s), in
Title and Capacity

(signatures continue on following page)

BUYER:
VIASAT, INC

By:
Name: Robert J. Blain
Title: vice president
 or party general counsel



CONCEPT SITE PLAN - PHASE II

10/15/2010 11:00 AM - 11:00 AM

10/15/2010 11:00 AM



10/15/2010 11:00 AM

