

STATE OF TEXAS §

COUNTY OF BRAZOS §

LETTER OF INTENT

This Letter of Intent ("LOI") is entered into by and between Bryan Commerce and Development, Inc. ("BCD") and R + T Studio, LLC ("Buyer") as a non-binding proposal to facilitate the ultimate sale and development of the property described below.

This Letter of Intent is based on the following facts:

1. **Intent.** It is the desire of the parties to enter into negotiation of a Purchase and Sale Agreement (PSA) and Master Development Agreement ("Development Agreement"), based upon substantially the terms described in this Letter of Intent.
2. **Property Description.** BCD is the owner of Block 123, Lots 1-9 and Alley, City of Bryan Original Townsite, in Bryan, Brazos County, Texas, ("Property") which is located at 518 N. Bryan Avenue. A description is attached hereto as **Exhibit A**.
3. **Project Description.** Buyer is interested in developing the Property as a multi-use development including multi-family residential units, light commercial, retail, and office uses also including both on and off street parking and green spaces. Buyer intends to purchase the Property for development in phases over a period not to exceed five (5) years. A conceptual phasing/lot plan is attached hereto as **Exhibit B** showing the phases labeled as Phases 1-4.
4. **LOI Term.** From the effective date of this LOI, the term shall be sixty (60) days, during which Buyer may commence a due diligence investigation of the Property.
5. **Due Diligence Materials.** BCD shall provide to Buyer, within three (3) business days of the effective date of this LOI, the following "Due Diligence Materials": copies of plats surveys, legal descriptions, drawings, or environmental audits/appraisals of the Property which are in BCD's possession.
6. **Right of Entry.** During the term of this LOI, Buyer shall have the right at any and all times without notice to enter onto the Property to commence its due diligence inspections, investigations, and evaluations of the Property, provided that any employee, representative, agent, contractor, or subcontractor of Buyer who enters onto the property executes a waiver and release of liability in favor of the BCD and the City of Bryan, in a form acceptable to the City Attorney BCD shall cooperate with Buyer, as needed, but the cost of any inspections, investigations, or evaluations are Buyer's sole expense.
7. **Exclusivity.** BCD shall not actively market the Property during the term of this LOI.
8. **Property Takedown.** The total combined purchase price of the Property (consisting of aforementioned six (6) lots) shall be no more than \$175,000. The Parties desire to negotiate an Agreement that would allow Buyer the right to purchase the Property by lots necessary for the completion of each phase in accordance with the phasing plan (**Exhibit B**) and the satisfactory completion of mutually agreed upon performance milestones.

9. **Purchase and Sale Agreement.** BCD shall endeavor to negotiate in good faith with Buyer to develop terms for a Purchase and Sale Agreement ("PSA") for the Phase 1 Parcels as outlined below, which the parties will endeavor to execute within sixty (60) days following the execution of this LOI. The combined purchase price of lots 1 and 2 (Phase 1 Parcels) shall be \$30,000.

- a. Within ten (10) days following execution of the PSA, Buyer will provide the title company of BCD's choosing with \$1,000 in earnest money, to be credited towards the purchase price of the Phase 1 Parcels.
- b. There will be a ninety (90) day inspection period following execution of the PSA for Buyer to inspect and further investigate all aspects of the Phase I Parcels. All investigations, assessments, surveys, and reports shall be at the sole cost of Buyer. BCD will cooperate with Buyer, and Buyer shall have the right at any and all times without notice to enter onto the Property to commence its due diligence inspections, investigations, and evaluations of the Property, provided that any employee, representative, agent, contractor, or subcontractor of Buyer who enters onto the property executes a waiver and release of liability in favor of the BCD and the City of Bryan, in a form acceptable to the City Attorney.
- c. During the PSA inspection period, Buyer shall review the condition of title to the Phase I Parcels, including without limitation as reflected in the commitment and surveys, and determine, in its sole discretion, whether it desires to object to the condition of title, giving BCD the opportunity to cure, and or to purchase the Property subject to the existing condition. Buyer may terminate the PSA during the inspection period for any reason with no further liability.
- d. The PSA will include customary representations and warranties by BCD, for Buyer's reliance, including the availability of utilities, absence of environmental conditions, compliance with city subdivision and zoning ordinances. Each Party shall warrant to the other that no real estate brokers or other intermediaries were involved in the connection with this transaction, and no broker's commission shall be paid by BCD at closing.
- e. Closing shall occur within thirty (30) days following expiration of the inspection period
- f. The PSA shall include as a condition of closing, the requirement that BCD and Buyer enter into a Development Agreement allowing the Buyer the option to purchase the remaining Property by lots necessary for the completion of each phase in accordance with the phasing plan (**Exhibit B**) upon the satisfactory completion of mutually agreed upon performance milestones, including property valuation requirements based upon the Brazos County Appraisal District ("BCAD") valuations.

10. **Development Agreement.**

- a. The Buyer's obligation to purchase and BCD's obligation to sell to Buyer the Phase 1 Parcels under the PSA, shall be conditioned upon BCD and Buyer entering into the Development Agreement prior to closing. The Development Agreement shall be for a term of five (5) years. During the term of the Development Agreement, the Buyer shall have exclusive rights to purchase and develop the remaining lots of the Property in accordance with the phasing plan (**Exhibit B**) and the satisfactory completion of mutually agreed upon milestones. If Buyer has not received a certificate of occupancy for Phase 1 of the project within two years of the execution of the Development Agreement, the

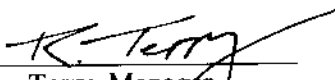
Development Agreement shall terminate and BCD may sell any remaining parcels to which it retains title at its sole discretion.

- b. Upon the expiration of the Development Agreement, or upon failure of the Buyer to meet the performance milestones of the Development Agreement, BCD may sell any remaining parcels to which it retains title at its sole discretion. Prior to the expiration of the Development Agreement, BCD and Buyer may negotiate an extension of the Development Agreement to cover any remaining parcels to which the Buyer has not received title.
- c. The Development Agreement shall contain terms as follows:
 - i. BCD will recommend that the City agree to relocate or remove the central utility pole fronting the Property on Bryan Avenue to provide uninterrupted street frontage across the width of the Property. BCD will offer up to \$5,000 to cover the cost of moving the utility pole if Buyer is responsible for the balance of the cost.
 - ii. BCD will recommend that the City agree to waive the filing fees (not including parkland dedication/development or charges related to utility construction or connection) for a subdivision plat of the Property, provided that the subdivision provides for the development of the Property as anticipated by the parties.
 - iii. BCD will recommend the City agree to waive fees for building, mechanical, electrical, and plumbing permits provided that the construction is for the development of the Property as anticipated by the parties.
 - iv. Buyer will agree to interim performance milestones which must be met in order to exercise the option to purchase any additional lots of the Property.
- d. In addition, the parties shall endeavor to negotiate in good faith the performance milestones and purchase price for the remaining lots in Phases 2, 3 and 4, contained in the Development Agreement, and regarding other incentive agreements between BCD, City, and Buyer for the purpose of facilitating the economic growth of the downtown area.

11. **Right-of-Away Abandonment.** Within thirty (30) days of the execution of this LOI, BCD shall obtain all necessary surveys and initiate an alley abandonment process for all public alleys on the Property
12. **Non-binding.** The terms of this LOI are non-binding and are intended to create a framework from which both parties may begin negotiations. The terms of the PSA, Development Agreement and any subsequent agreements reached between the parties and/or third parties, are subject to change and will supersede any of the terms contained herein.
13. **Texas Law Governs.** The provisions of this LOI shall be construed in accordance with, and governed by, Texas law without reference to principles of choice of law.
14. **Execution in Counterparts.** This LOI may be executed in one or more counterparts, each of which shall be deemed an original of equal dignity. If the parties sign this LOI on different dates, the later date shall be the effective date of this LOI for all purposes.


The parties are in agreement with the foregoing principles as indicated by their signatures below. The Buyer understands that this Letter of Intent is non-binding, and that any Agreement for the purchase and sale and development of the Property shall require the approval of the board of directors of the BCD, and any incentive agreement shall require the approval of the Bryan City Council.

BUYER
R + T Studio, LLC



Ryan Terry, Manager
Date: 13 July 2015

BCD
Bryan Commerce and Development, Inc.



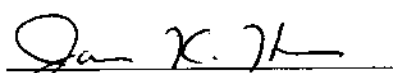
Kean Register, Treasurer
Date: 7/16/15

ATTEST



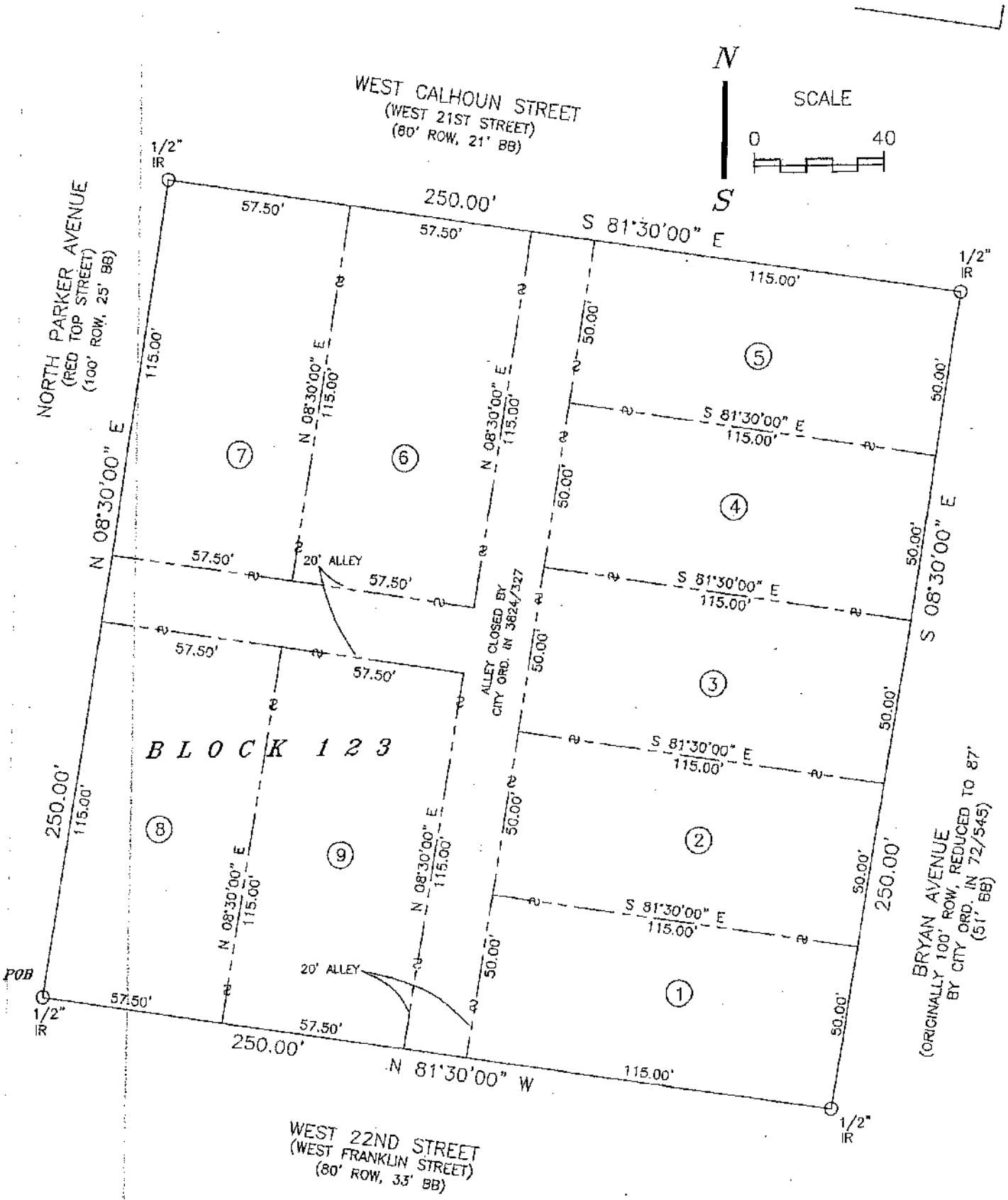
Mary Lynne Stratta, City Secretary

APPROVED AS TO FORM



Janis K. Hampton, City Attorney

EXHIBIT A



GALINDO ENGINEERS AND PLANNERS, INC.

3833 South Texas Ave., Suite 213 Bryan, TX 77802 979-846-8868

Firm Licenses: Engineering F-1799, Surveying 100269-00

11-09-03

BRYAN COMMERCE & DEVELOPMENT, INC.

1.4348-ACRE TRACT

BLOCK 123

BRYAN ORIGINAL TOWNSITE

BRYAN, BRAZOS COUNTY, TEXAS

Being a **1.4348-acre** tract or parcel of land lying and being all of a 20' alley and Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9, Block 123, Bryan Original Townsite, an addition to the City of Bryan, Texas, according to the plat recorded in Volume H, Page 721, Deed Records, Brazos County, Texas, and said **1.4348-acre** tract more particularly described as follows:

BEGINNING at 1/2" iron rod marking the intersection of the northern right-of-way line of West Franklin Street, also known as West 22nd Street, an 80'-wide City of Bryan public right-of-way, and the eastern right-of-way line of North Parker Avenue, also known as Red Top Street, a 100'-wide City of Bryan public right-of-way;

THENCE N 08°30'00" E, along the eastern right-of-way line of North Parker Avenue, for a distance of 250.00', to a 1/2" iron rod marking the intersection of the eastern right-of-way line of North Parker Avenue and the southern right-of-way line of West Calhoun Street, also known as West 21st Street, an 80'-wide City of Bryan public right-of-way;

THENCE S 81°30'00" E, along the southern right-of-way line of West Calhoun Street, for a distance of 250.00', to a 1/2" iron rod marking the intersection of the southern right-of-way line of West Calhoun Street and the western right-of-way line of North Bryan Avenue, a 100'-wide City of Bryan public right-of-way, reduced to an 87'-wide right-of-way by City Ordinance in Volume 72, Page 545, Deed Records, Brazos County, Texas;

THENCE S 08°30'00" W, along the reduced western right-of-way line of North Bryan Avenue, for a distance of 250.00', to a 1/2" iron rod marking the intersection of the reduced western right-of-way line of North Bryan Avenue and the northern right-of-way line of West Franklin Street;

THENCE N 81°30'00" W, along the northern right-of-way line of West Franklin Street, for a distance of 250.00', to the **POINT OF BEGINNING**, containing **1.4348 acres** of land, more or less.

Note: Bearing source is the Replat of Part of Lot 35, Bryan Original Townsite, recorded in Volume 3752, Page 35, Official Records, Brazos County, Texas.



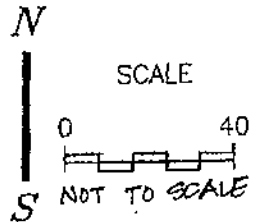
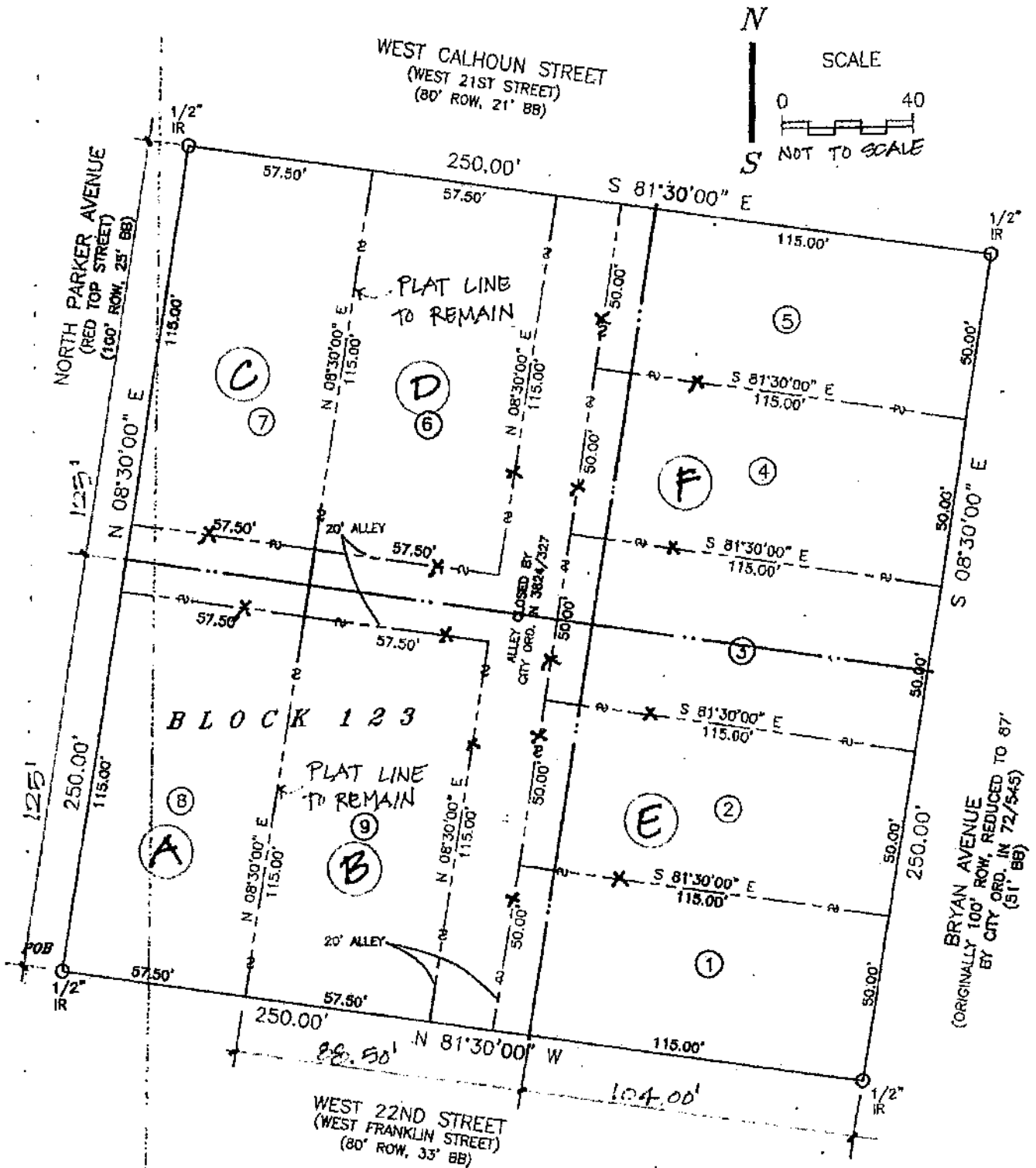
CHRISTIAN A. GALINDO, P.E. # 53425, R.P.L.S. # 4473

August 3, 2009

©2009 Christian A. Galindo

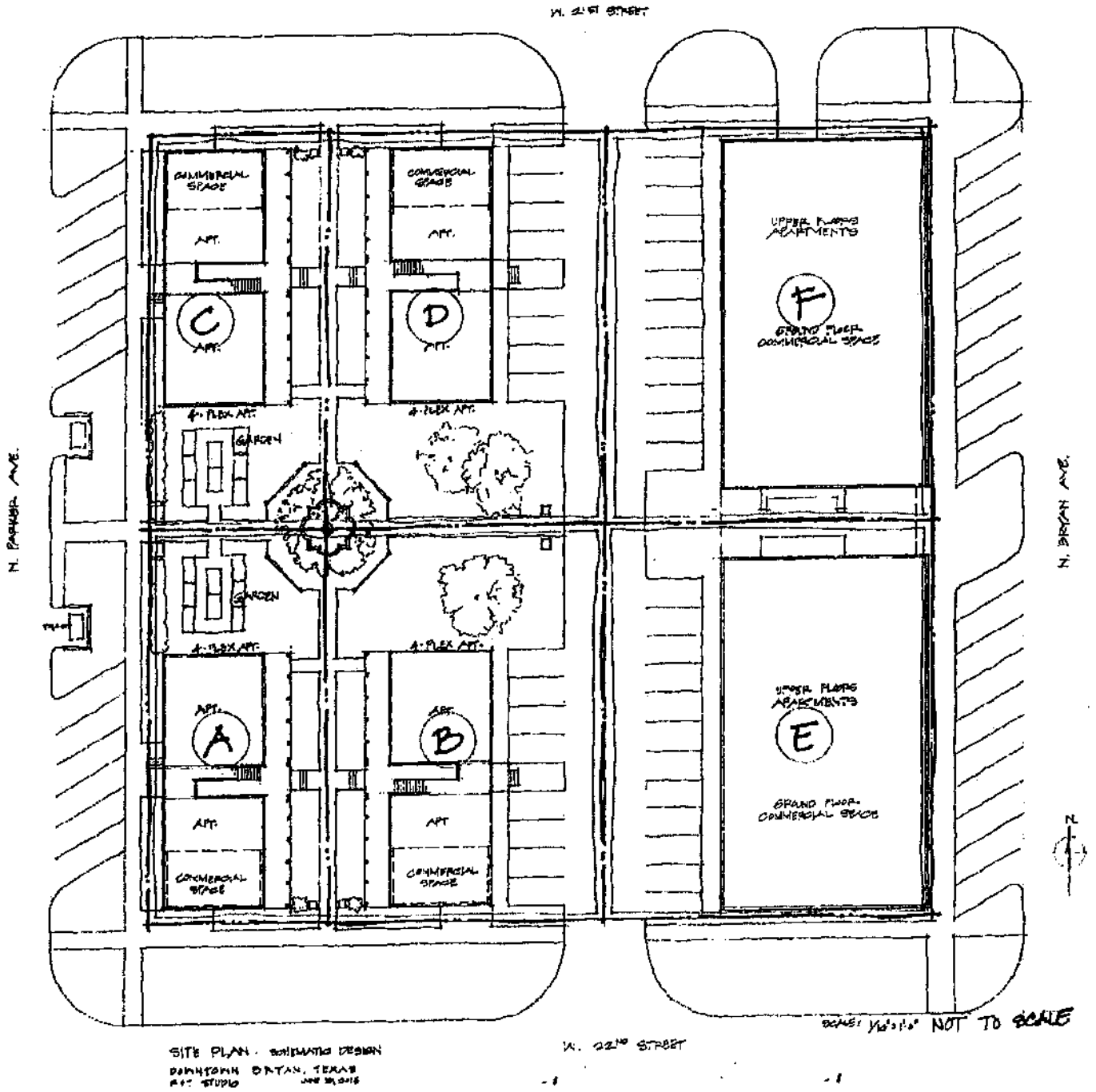


EXHIBIT B



BLOCK 123
 BRYAN ORIGINAL TOWNSITE
 BRYAN, TEXAS
PROPOSED REPLAT
 JUNE 25, 2015
 R+T STUDIO, LLC

EXHIBIT C



SITE PLAN - CONCEPT DESIGN
 DAN HEDGECOCK DENTON, TEXAS
 RPT STUDIO JUNE 2015

N. 22ND STREET

SCALE: 1/8"=1'-0" NOT TO SCALE

- PHASE 1: PLATS A & B
- PHASE 2: PLATS C & D
- PHASE 3: PLAT E
- PHASE 4: PLAT F

RPT STUDIO, LLC
PHASING PLAN
 JUNE 25, 2015

CONTRACT OF SALE

This Contract of Sale (this "Contract") is entered into by Bryan Commerce and Development, Inc., a Transportation Code local government corporation ("Seller"), and R + T Studio, LLC ("Purchaser").

ARTICLE I.

AGREEMENT OF PURCHASE AND SALE

1.1. Agreement of Purchase and Sale. For the consideration and upon and subject to the terms, provisions and conditions hereinafter set forth, Seller agrees to sell and convey unto Purchaser, and Purchaser agrees to purchase from Seller, the tract of land situated in Brazos County, Texas, described as Lots A and B in the attached Exhibit "A" ("Land"), and all buildings, fixtures and other improvements located on the Land, together with all and singular the rights, privileges, hereditaments and appurtenances pertaining to such real property, including, but not limited to, any right, title and interest of Seller in and to any strips and gores adjoining such real property and in and to adjacent streets, roads, alleys, easements and rights-of-way and any and all mineral interests of whatever nature, producing or nonproducing, relating to said Land, including, but not limited to, rights of Seller under any and all oil and gas leases covering the Land (collectively, the "Property").

ARTICLE II.

PURCHASE PRICE

2.1. Purchase Price. The purchase price to be paid for the Property ("Purchase Price") shall be **THIRTY THOUSAND DOLLARS (\$30,000)**. The term "Net Land Area" means the gross land area of the Property less the land area included in utility easements, drainage easements, ingress/egress easements, existing or proposed rights-of-way, 100-year flood plain and encroachments on or across the Property. The area within the 100-year flood plain shall be as defined by the Federal Emergency Management Agency or other applicable governmental authority. The Purchase Price shall be payable in cash or other good funds at the Closing subject to such offsets and credits as described herein.

ARTICLE III.

CONTRACT CONSIDERATION AND EARNEST MONEY

3.1. Contract Consideration. Contemporaneously with the execution of this Contract, Purchaser hereby delivers to Seller a check in the amount of \$100.00 ("Contract Consideration") as the consideration for Seller's execution and delivery of this Contract. This Contract Consideration is in addition to and independent of any other consideration or payment provided for in this Contract, is nonrefundable, is consideration for Seller's covenants herein and shall be retained by Seller notwithstanding any other provision of this Contract.

3.2. Earnest Money; Amount and Payment. Not later than two business days from the Effective Date (hereinafter defined) hereof, Purchaser shall deliver its check in the amount of \$1,000 ("Earnest Money") to University Title Company, 1021 University Dr., College Station, Texas 77840; telephone number: (979) 260-9818; ("Title Company"). The Title Company shall deposit the Earnest Money in an interest bearing account acceptable to Purchaser, with interest to accrue to the benefit of Purchaser, and such interest does not become part of the Earnest Money but shall be distributed to Purchaser from time to time upon Purchaser's requests to the Title Company. The Earnest Money, unless earlier returned to Purchaser or delivered to Seller as herein provided, at Purchaser's option either shall be applied to the Purchase Price or returned to Purchaser at the Closing.

ARTICLE IV.

PRE-CLOSING OBLIGATIONS AND CONDITIONS

4.1. Items to be Delivered by Seller. Within fourteen (14) days after the date of execution of this Contract (or at such other time as provided below), Seller shall provide Purchaser with each of the following at Seller's sole cost and expense:

(a) A current commitment for the issuance of an owner policy of title insurance to Purchaser from the Title Company, including true, correct and legible copies of all instruments referred to in the commitment as conditions or exceptions to title to the Land, including items listed in Schedule C of the commitment ("Title Commitment");

(b) All information of any kind whatsoever in the possession of Seller (including copies of documents) concerning any leases (including oil and gas leases), contracts, permits, litigation, threatened litigation or licenses pertaining to the Property;

(c) All information, contracts, data, studies and reports in the possession of Seller concerning the Property including all plans for the development of the Property, all traffic studies, engineering studies or environmental reports pertaining to the Property, all soils and compaction tests, all information relating to obtaining the approval of local governing bodies for development of the Property, all information regarding present or future zoning of the Property and all information concerning availability of sewers or utilities;

(d) Property Tax bills, if any, for the current and three (3) most recent prior years and a current statement of assessed value of the Property; and

(e) A current on-the-ground staked survey of the Land addressed to Purchaser, Purchaser's lender (if applicable), and Purchaser's successors and assigns ("Land Survey") dated subsequent to the date of execution of this Contract, said Land Survey to be prepared by a surveyor licensed in Texas acceptable to Purchaser ("Surveyor"). Such Land Survey shall identify the Land by metes and bounds or platted lot description; locate all improvements, recorded and unrecorded easements (with recording information with respect to all recorded easements), roads and rights-of-way on or adjacent to the Land and known to the Surveyor; contain the surveyor's certification of

the gross land area and the Net Land Area; shall meet the requirements of a Category 1A, Condition I or II (as applicable) Survey as defined by the Manual of Practice for Land Surveying in Texas published by the Texas Surveyors Association; be certified to Seller, Purchaser and the Title Company pursuant to a certificate acceptable to Purchaser; and be sufficient to allow for the amendment of the survey exception in the Title Policy (as herein defined). The Land Survey shall be delivered within thirty (30) days after the Effective Date. The legal description of the Land contained in the Land Survey, if different from the description contained in Exhibit "A", shall be substituted for the description of the Land contained in Exhibit "A", and this Contract shall be deemed automatically amended by the substitution of the legal description of the Land contained in the Land Survey, as a new Exhibit "A" hereto.

ARTICLE V.

SURVEY AND TITLE REVIEW

5.1. Title Review Period. Purchaser shall have until thirty (30) days following the date of the last of the Title Commitment and the Land Survey receipt set forth in Section 4.1 ("Title Review Period") in which to review the state of Seller's title to the Property. If the Land Survey or Title Commitment reflects or discloses any defect, exception or other matter affecting the Property that is unacceptable to Purchaser for any reason whatsoever, then, prior to the expiration of the Title Review Period, Purchaser may provide Seller with written notice of its objections ("Title Defect Notice"). Seller shall use its best efforts to remove or cure such objections to Purchaser's satisfaction. Seller shall notify Purchaser in writing ("Title Cure Notice"), within 10 days after Seller's receipt of the Title Defect Notice, of those matters that Seller will or will not cure pursuant to its obligations in the immediately preceding sentence. If this Contract is not terminated or is not deemed terminated by Purchaser prior to the expiration of the Inspection Period (hereinafter defined), then any title exceptions which are shown on the Land Survey or on Schedule B of the Title Commitment, as finally amended or endorsed prior to the expiration of the Inspection Period (other than matters that Seller has agreed to cure or has indicated in the Title Cure Notice will be cured) shall be the "Permitted Exceptions" provided however, that any liens or monetary encumbrances affecting the Property shall not be deemed to be Permitted Exceptions and must be satisfied by Seller and released at or prior to Closing.

ARTICLE VI.

INSPECTION

6.1. Inspection Period. Purchaser shall have a period beginning on the date that Purchaser receives the last of the items to be delivered pursuant to Section 4.1 and ending ninety (90) days thereafter ("Inspection Period") in which to inspect the Property. During the Inspection Period, Purchaser and its agents, contractors and designees shall have the right to physically inspect and review the Property and to determine whether the Property is suitable for Purchaser's needs (taking into consideration any matters deemed relevant by Purchaser, including soil conditions, engineering characteristics, utilities, access, title, zoning, leasing prospects and Purchaser's determination whether or not development of the Property is feasible) and make such reasonable, nondestructive investigations, studies and tests, including, without

limitation, surveys and engineering studies, as Purchaser deems necessary or advisable; provided, however, that Purchaser shall not be permitted to conduct physical or invasive testing (including, without limitation, any environmental testing other than a Phase I study) without Seller's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed. Seller's prior written consent for physical or invasive inspections or testing may be conditioned upon receipt of a detailed description of the proposed physical or invasive inspection or testing, a list of contractors who will be performing the physical or invasive inspection or testing, evidence of insurance satisfactory to Seller, and such other information as Seller reasonably requires in connection with such proposed inspection or testing. Purchaser shall indemnify, defend and hold Seller harmless from all costs, damages, and liabilities arising out of Purchaser's inspection of the Property and the foregoing information. However, Purchaser's indemnification provided in this paragraph will not apply to the discovery of any pre-existing conditions on the Property unless Purchaser's activities exacerbate or worsen any pre-existing conditions. It is acknowledged and agreed by Seller that no examination by Purchaser, its representatives, agents or contractors shall be deemed to constitute a waiver or relinquishment on the part of Purchaser of its right to rely on the covenants, representations, warranties or agreements made by Seller in this Contract. In the event that Purchaser, in its sole and absolute discretion and for any reason whatsoever (or for no reason), determines that the Property is not suitable for its needs, then Purchaser may terminate this Contract at any time prior to expiration of the Inspection Period by giving a written termination notice to Seller. Notwithstanding the above notice of termination provision, it shall be conclusively deemed that Purchaser has determined that the Property is not suitable for its needs and that Purchaser has terminated this Contract pursuant to this Section 6.1 unless, on or prior to the expiration of the Inspection Period, Purchaser delivers to Seller written notice that Purchaser has elected to waive its right to terminate this Contract under this Section 6.1. If Purchaser delivers the termination notice referenced above or if Purchaser is deemed to have terminated this Contract as provided above, the Title Company shall immediately deliver the Earnest Money and any undistributed accrued interest to Purchaser free of any claims by Seller, and neither Seller nor Purchaser thereafter shall have any further right or obligation under this Contract unless expressly provided otherwise in this Contract.

ARTICLE VII.

REPRESENTATIONS, WARRANTIES,

COVENANTS AND AGREEMENTS OF SELLER

7.1. Representations and Warranties. In order to induce Purchaser to enter into this Contract, Seller makes the following warranties and representations, which shall be true and correct as of the Effective Date and on the Closing Date:

(a) Seller has full right, power, and authority to execute and deliver this Contract and to consummate the purchase and sale transactions provided for herein without obtaining any further consents or approvals from, or the taking of any other actions with respect to, any third parties. This Contract, when executed and delivered by Seller and Purchaser, will constitute the valid and binding agreement of Seller, enforceable against Seller in accordance with its terms;

(b) Seller has and, at the Closing Seller will have and will convey and assign to Purchaser, good and indefeasible fee simple title to the Property subject only to the Permitted Exceptions;

(c) There are presently no pending or threatened condemnation actions or special assessments of any nature with respect to the Property or any part thereof, Seller has received no notice of any condemnation actions or special assessments being contemplated, and Seller does not have any knowledge of any being contemplated. Seller has received no request, written or otherwise, from any governmental entity with regard to dedication of the Property or any part thereof;

(d) Seller has received no notice of, and has no other knowledge or information of, any pending or contemplated change in any regulation or private restriction applicable to the Property or any part thereof, of any pending or threatened judicial or administrative action, of any action pending or threatened by adjacent landowners or other persons or of any natural or artificial condition adversely affecting the Property or any part thereof;

(e) To Seller's knowledge, there are no actions, suits, claims, assessments, or proceedings pending or, to Seller's actual knowledge, threatened that could affect the ownership, operation, or maintenance of the Property or Seller's ability to perform hereunder;

(f) There will be no debts, liabilities or obligations of Seller with respect to the Property or for services, labor or material furnished to the Property (whether known, unknown, absolute, accrued, contingent, or of any other character) outstanding as of the Closing Date;

(g) No person, firm or entity, other than Purchaser, has any right or option to acquire, the Property or any part thereof, and as long as this Contract remains in force, Seller will not, without Purchaser's prior written consent, lease, transfer, mortgage, pledge or convey its interest in the Property or any portion thereof nor any right therein, nor shall Seller enter into, or negotiate for the purpose of entering into, any agreement or amendment to agreement granting to any person or entity any such rights with respect to the Property or any part thereof;

(h) To Seller's knowledge, there has been no material or labor furnished for the Property for which payment has not been made, and there are no mechanic's or materialman's liens or claims filed against the Property. Seller has received no notices of any claims of non-payment or claims of liens by any contractors, subcontractors, suppliers, mechanics, materialmen or artisans with respect to any work performed on or materials furnished to the Property. At Closing, there will be no unpaid bills or claims in connection with any work by Seller on the Property;

(i) Seller has no knowledge of any fact or condition existing which would result or could result in the termination or reduction of the current access from the

Property to the existing highways and roads that provide access to the Property or of any reduction in sewer or other utility services presently serving the Property;

(j) To Seller's knowledge, the Property has not been the site of any activity that would violate any past or present environmental law or regulation of any governmental body or agency having jurisdiction over the Property. Specifically, but without limitation, to Seller's knowledge solid waste, petroleum, or petroleum products have not been handled or stored on the Property such that they may have leaked or spilled onto the Property or contaminated the Property, there is no on-site contamination resulting from activities on the Property or adjacent tracts, and the Property contains no Hazardous Substances (herein so called) which shall mean any petroleum products, flammables, explosives, radioactive materials, asbestos, radon, or other hazardous waste including without limitation substances defined as "hazardous substances", "hazardous materials", or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Hazardous Materials Transportation Act, and the Resources Conversation and Recovery Act, and any other material or substance whose use, storage or disposal is regulated by law, except to the extent permitted by and in conformity with such laws and regulations;

(k) To Seller's knowledge, the Property is now in full compliance with all zoning, building, health, traffic, environmental, flood control, fire safety, handicap and other applicable laws, regulations, ordinances and rulings of all local, state and federal authorities and any other governmental entity having jurisdiction over the Property or any portion thereof ("**Legal Requirements** "). To Seller's knowledge, there are no petitions, actions, hearings, planned or contemplated, relating to or affecting the zoning or use of the Property. To Seller's knowledge, no license, permit or authorization is necessary to own and operate the Property in accordance with its current operations;

(l) There are no attachments, executions, or assignments for the benefit of creditors or voluntary or involuntary proceedings in bankruptcy or under any other debtor relief laws contemplated by a pending or threatened action or suit against Seller or the Property;

(m) Seller is not a "foreign person" as that term is defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and applicable regulations;

(n) As of the Closing, there will be no parties in possession of any portion of the Property as lessees, tenants at sufferance, trespassers or otherwise;

(o) No person, firm or corporation or other entity has or at the Closing Date shall have any right or option to acquire all or any portion of the Property;

(p) No portion of the Property shall be subject at the Closing to any agreement (written or oral) except the Permitted Exceptions;

(q) Neither Seller nor any person, group, entity or nation that Seller is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions

With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, entity, or nation pursuant to any municipal, county, state or federal statute, code, ordinance, rule or regulation ("Law") that is enforced or administered by the Office of Foreign Assets Control, and Seller is not engaging in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Seller is not engaging in this transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Seller have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Seller is prohibited by Law or that the transaction or this Contract is or will be in violation of Law. Seller has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing; and

7.2. Covenants and Agreements. Seller and Purchaser covenant and agree as follows:

(a) Seller shall give Purchaser and Purchaser's agents, representatives, contractors and designees full access to the Property in order to make such inspections, surveys, test borings, soil analyses and other tests and surveys thereon as Purchaser, in its sole discretion, shall deem advisable. Seller shall furnish Purchaser such additional information concerning the ownership, management, operation and the condition of the Property as Purchaser may reasonably request. The cost and expenses of Purchaser's investigation shall be borne solely by Purchaser. Purchaser shall indemnify and hold Seller harmless for any property damage or injury caused by Purchaser in connection with such inspections and tests but specifically excluding the discovery by Purchaser of any pre-existing conditions related to the Property, and this provision shall survive the termination or closing of this Contract;

(b) From and after the date hereof, Seller shall not (i) perform any grading or excavation, construction or removal of any improvement or make any other change or improvement upon or about the Property, (ii) create or incur, or suffer to exist, any mortgage, lien, pledge or other encumbrance in any way affecting the Property, other than the lien for taxes not yet due and payable and existing liens to be released at the Closing, (iii) commit any waste or nuisance upon the Property, or (iv) impose any easements, covenants, conditions or restrictions on the Property or institute or participate in any annexation, zoning, platting, dedication or other governmental action regarding the Property;

(c) At the Closing, Seller shall deliver to Purchaser an affidavit in compliance with Section 1445 of the Internal Revenue Code and applicable regulations stating, under penalty of perjury, Seller's United States taxpayer identification number and that Seller is not a "foreign person" as that term is defined in Section 1445;

(d) Notwithstanding any other provisions contained herein, Seller, from the Purchase Price proceeds or otherwise, shall pay and discharge all liens against the Property other than the lien for current taxes which are not yet due and payable such that title to the Property will be conveyed to Purchaser free and clear of all liens other than the lien for current taxes which are not yet due and payable;

(e) Seller shall not, without the prior written consent of Purchaser, enter into, transfer, encumber, amend, extend, modify or in any way alter any lease, contract or agreement which affects the Property (provided, however, Seller shall terminate all leases, if any, on or before Closing);

(f) Provided this Contract has not been terminated, Seller shall promptly furnish Purchaser with any and all notices concerning the Property that Seller receives from any and all appraisal districts, taxing authorities or any other governmental entities or of any litigation, arbitration or administrative hearing concerning the Property and any other material changes prior to Closing in any of the facts reflected in any statements, certificates, schedules, or other documents or any representation or warranties made or furnished by Seller in connection with this transaction. This covenant shall survive the Closing; and

(g) Seller shall promptly join in any platting application or other governmental permit or similar application as requested by Purchaser.

ARTICLE VIII.

CONDITIONS PRECEDENT TO CLOSING/CONDEMNATION

8.1. Conditions Precedent to Purchaser's Performance. The obligation of Purchaser to close the transaction described in this Contract, unless waived in writing by Purchaser, shall be subject to the following conditions precedent:

(a) All the representations and warranties of Seller set forth in this Contract shall be true and correct as of the date hereof and on the Closing Date;

(b) Seller shall not have, on or prior to the Closing Date, failed to meet, comply with or perform any covenants or agreements of Seller required by the terms of this Contract;

(c) There shall be no change in the matters reflected on the Title Commitment or Survey from those matters appearing therein on the date of the expiration of the Inspection Period (except those changes requested by Purchaser in its Title Defect Notice);

(d) The environmental condition of the Property on the Closing Date shall not be materially different from the environmental condition existing as of the date of the expiration of the Inspection Period;

(e) There shall be no litigation affecting the Property;

(f) Purchaser and Seller have agreed upon a "Development Agreement" which will grant to Purchaser the option to purchase the real property set forth on Exhibit "A" (the "Development Agreement") and the mutually agreed upon performance milestones related thereto, including property evaluation requirements based upon the Brazos County Appraisal District evaluations. The Development Agreement shall grant exclusive rights to purchase and development the remaining Property set forth therein and the terms and conditions relating to same. The parties contemplate that the Development Agreement will provide that if Purchaser has not obtained a certificate of occupancy for the first phase of the project within two (2) years of the execution of the Development Agreement, the Development Agreement shall terminate and Seller will have the right to sell any remaining parcels to which it retains title;

(g) Additionally, the Development Agreement shall contain terms as follows:

- (i) Seller will recommend that the City agree to relocate or remove the central utility pole fronting the Property on Bryan Avenue to provide uninterrupted street frontage across the width of the Property. Seller will offer up to \$5,000.00 to cover the cost of moving the utility pole if Buyer is responsible for the balance of the costs.
- (ii) Seller will recommend that the City agree to waive the filing fees (not including parkland dedication/development or charges relating to utility construction or connection) for a subdivision plat of the Property, provided that the subdivision provides for the development of the Property as anticipated by the parties.
- (iii) Seller will recommend the City agree to waive fees for building, mechanical, electrical and plumbing permits provided that the construction is for the development of the Property as anticipated by the parties.
- (iv) Purchaser will agree to interim performance milestones which must be met in order to exercise the option to purchase any additional lots of the Property.
- (v) In addition, the parties shall endeavor to negotiate in good faith the performance milestones and purchase price for the remaining lots in Phases 2, 3 and 4, contained in the Development Agreement, and regarding other incentive agreements between Seller, City and Purchaser for the purpose of facilitating the economic growth of the downtown area.

(h) Seller shall have obtained all necessary surveys and initiated an alley abandonment process for all public alleys on or contiguous to the Property.

In the event that any of the above conditions are not satisfied or waived in writing by Purchaser prior to the Closing, Purchaser may terminate this Contract by delivery of a written termination notice to Seller on or before the Closing Date, in which event of termination, the Earnest Money and any undistributed accrued interest shall be returned to Purchaser free of any claim by Seller, and neither party thereafter shall have any further rights or obligations to each other under this Contract (except for any liability that Seller may have to Purchaser for Seller's breach of its representations, warranties and covenants contained in this Contract, and except as otherwise expressly provided in this Contract).

8.2. Condemnation. If prior to the Closing, condemnation proceedings are threatened or commenced with respect to any portion of the Property, Purchaser may terminate this Contract by delivering a written termination notice to Seller prior to the Closing Date. Prior to Purchaser terminating this Contract or if Purchaser does not terminate this Contract, both the Seller and the Purchaser, by their respective attorneys, shall have the right to appear and to defend their interests in the Property in such condemnation proceedings, and any award in condemnation prior to Closing shall become the property of Seller, and the Purchase Price shall be reduced by an amount equal to the greater of: (a) the condemnation award; or (b) per square foot Purchase Price specified in Section 2.1 multiplied by the number of gross square feet of land in the Property lost in such condemnation (or conveyance in lieu of such condemnation; provided, however, Seller shall make no conveyance in lieu of condemnation without Purchaser's prior written consent). In the event of such termination, the Earnest Money and any undistributed accrued interest shall be immediately refunded to Purchaser free of any claim by Seller, and thereafter neither party shall have any further liability to the other under this Contract unless expressly provided otherwise in this Contract. If Purchaser does not terminate this Contract and proceeds to close prior to the condemnation award being made, Purchaser shall be entitled to all condemnation awards or awards in lieu of condemnation.

ARTICLE IX.

CLOSING

9.1. Time and Place. The sale and purchase of the Property shall be consummated at a closing ("Closing") to be held at the offices of the Title Company. The Closing shall occur on the date ("Closing Date") that is thirty (30) days after the expiration of the Inspection Period or on an earlier date designated by Purchaser (provided that the date is after the end of the Inspection Period and Purchaser gives Seller at least ten (10) business days advance written notice of such earlier designated date).

9.2. Items to be Delivered by Seller at the Closing. At the Closing, Seller shall deliver or cause to be delivered to Purchaser, at Seller's sole cost and expense, each of the following items:

(a) A warranty deed duly executed and acknowledged by Seller, in form of Exhibit "B" attached hereto and incorporated herein by reference, granting, conveying and warranting unto Purchaser good and indefeasible fee simple absolute title to the Land, free and clear of any liens, encumbrances, easements or other matters affecting title to the Property except the Permitted Exceptions;

(b) Any and all deeds and assignments, duly executed and acknowledged, deemed necessary by Purchaser to cause any and all mineral interests, warranties, contract rights and any and all other rights, title and interests constituting a part of the Property, to be conveyed and assigned to Purchaser, free and clear of all liens, encumbrances, easements and other matters other than the Permitted Exceptions, containing such general warranties of title as Purchaser may reasonably require;

(c) An Owner's Policy of Title Insurance ("Title Policy") issued by the Title Company on the standard form in use in the State of Texas, insuring good and indefeasible fee simple title to the Land in the Purchaser in a face amount equal to the Purchase Price and containing no exceptions except the Permitted Exceptions and the standard printed exceptions therein, except:

(i) the exception relating to restrictions against the Property shall be endorsed by the Title Company to read "none of record," except for such restrictions as may be included in the Permitted Exceptions;

(ii) the exception relating to discrepancies, conflicts or shortages in area or boundary lines or any encroachment or overlapping of improvements which a survey might show shall be deleted except for "shortages in area";

(iii) the blank in the taxes exception shall show the year of the Closing, and the taxes exception shall be endorsed "not yet due and payable" (provided, however, if taxes are due and payable at the time of Closing, Seller shall pay such taxes at or prior to Closing, and the blank in the Title Policy shall show the year after Closing), and the tax exception shall be additionally subject to taxes for subsequent years, subsequent assessments for prior years due to change in land usage or ownership and any standby fees applicable to the Property; and

(iv) any liens imposed on the Property as the result of any financing incurred by Purchaser to purchase the Property.

Notwithstanding the foregoing, at the Closing Purchaser may waive in writing the requirement of the delivery of the Title Policy, in which event Purchaser shall receive a credit at Closing against the Purchase Price in an amount equal to the premium for the Title Policy had Purchaser elected to receive such Title Policy as provided herein.

(d) An affidavit that there are no parties in possession of the Property in form acceptable to Purchaser and any other affidavit required by the Title Company to close this Contract and issue the Title Policy;

(e) Such evidence or other documents that may be reasonably required by Purchaser or the Title Company evidencing the status and capacity of Seller and the authority of the person or persons who are executing the various documents on behalf of the Seller in connection with the sale of the Property;

(f) Seller's affidavit as required by Section 7.2(c) hereof; and

(g) The Escrow Agreement referenced in Section 9.4(a).

9.3. Items to be Delivered by Purchaser at the Closing. At the Closing, Purchaser, at Purchaser's expense, shall deliver to Seller the Purchase Price as set forth in Section 2.1. In addition, Purchaser shall execute the Escrow Agreement referenced in Section 9.4(a). Finally, Purchaser shall deliver such evidence or other documents as may be reasonably required by Seller or the Title Company evidencing the status and capacity of Purchaser and the authority of the person or persons who are executing the various documents on behalf of the Purchaser in connection with the sale of the Property.

9.4. Adjustments and Prorations. At Closing, the following items shall be adjusted or prorated between Seller and Purchaser:

(a) Ad valorem taxes for the Property for the year in which the Closing occurs shall be prorated as of the Closing Date, and Seller shall pay to Purchaser in cash at the Closing Seller's pro rata portion of such taxes. Seller's pro rata portion of such taxes shall be based upon taxes actually assessed for the current calendar year or, if for any reason such taxes for the Property have not been actually assessed, such proration shall be based upon the amount of such taxes for the immediately preceding calendar year, and adjusted by cash settlement when exact amounts are available. All special taxes or assessments approved or assessed prior to the Closing Date shall be paid by Seller. Seller shall (i) pay when due, and indemnify and hold Purchaser harmless from, any subsequent tax assessment of the Property for periods prior to the Closing Date due to changes in land usage or ownership, and (ii) execute and deliver to Purchaser at Closing an escrow agreement in the form attached hereto as Exhibit "C" and made a part hereof ("Escrow Agreement") pursuant to which Seller shall at the Closing deposit with the Title Company (as escrow agent) an amount equal to the rollback taxes that would be assessed if triggered as of the Closing Date, as reasonably estimated by Purchaser, regardless of whether such rollback taxes are in fact triggered;

(b) Except as otherwise provided herein, each party shall pay its share of all other closing costs as is normally paid by a seller or purchaser, respectively, in a transaction of this character in the county or counties where the Property is located; and

(c) The agreements as to prorations, payment of taxes, adjustments and indemnifications in this Section 9.4 shall survive the Closing. In the event, subsequent to Closing, that any adjustments made at the Closing pursuant to this Section are found to be erroneous, then either party hereto who is entitled to additional monies shall invoice the other party for such additional amounts as may be owing, and such amounts shall be paid within ten days from receipt of the invoice. Any amounts due and owing which are not paid within 15 days after receipt of the invoice therefor shall bear interest at the maximum lawful rate from such 15th date until paid.

9.5. Right to Possession. At the Closing, Purchaser shall have full and unrestricted right to possession of the Property and Seller will do such acts, execute such instruments and take such action as may be appropriate or required to assure to Purchaser uninterrupted and full possession of the Property immediately following the Closing.

9.6. Indemnification. Seller shall, to the extent permitted by law, indemnify and hold Purchaser and its partners, agents and employees harmless from and against any and all liabilities, claims, demands and expenses, of any kind or nature (including reasonable attorneys' fees) related to, resulting from or in any way arising out of (i) a breach of any representation, warranty, covenant or agreement of Seller hereunder, or (ii) the condition, ownership or operation of the Property on or prior to the Closing Date, but excluding any claims arising from actions taken by or on behalf of Purchaser. This indemnity shall survive the termination or Closing of this Contract.

ARTICLE X.

REMEDIES UPON DEFAULT

10.1. Default by Seller. In the event that the sale of the Property as provided in this Contract is not consummated as a result of a default by Seller, Purchaser shall have the right, as its sole and exclusive remedies, to either: (i) to terminate this Contract by giving written notice thereof to Seller, the Title Company immediately shall deliver the Earnest Money and any undistributed accrued interest to Purchaser, free of any claims by Seller and Seller shall reimburse Purchaser for all actual out-of-pocket expenses which Purchaser has incurred in connection with this Contract and the transactions contemplated herein; or (ii) to enforce specific performance of Seller's obligations under this Contract. This provision shall survive the Closing or any termination of this Contract. The foregoing limitation on remedies shall not affect Purchaser's rights to recovery of attorneys' fees incurred in connection with enforcing specific performance of this Contract or Purchaser's rights under Section 9.6. Notwithstanding any other provision herein to the contrary, if Seller fails to satisfy its obligations in Section 7.2(d), Purchaser may, but shall not be obligated to, elect to satisfy such obligations and Purchaser will be granted a credit against the Purchase Price for the costs incurred by Purchaser to satisfy such obligations of Seller.

10.2. Default by Purchaser. In the event all conditions of this Contract are satisfied and all covenants and agreements to be performed by Seller prior to Closing are fully performed, and in the event that performance of this Contract is fully tendered by Seller and the sale is not consummated through default by Purchaser, and such default continues for a period of five business days after written notice to Purchaser, then Seller's sole and exclusive remedy shall be to terminate this Contract by giving written notice thereof to Purchaser, whereupon neither party hereto shall have any further rights or obligations under this Contract, and the Title Company shall deliver the Earnest Money to Seller, free of any claims by Purchaser, as liquidated damages. The Earnest Money is a good faith estimate of actual damages that Seller would suffer and shall be liquidated damages for default of Purchaser in failing to consummate this Contract because of the difficulty, inconvenience and uncertainty of ascertaining Seller's actual damages for Purchaser's default.

ARTICLE XI.

MISCELLANEOUS

11.1. Notices. All notices, demands or other communications given in connection with or required under this Contract must be in writing and delivered to the person to whom it is directed; notices, demands or other communications not given in the manner set forth in this Section 11.1 shall be void and of no effect. Notices, demands or other communications may be given by hand delivery, delivery service or by telecopy. Any notice, demand or other communication given by certified mail, return receipt requested, shall be deemed to have been given and received upon deposit thereof (with proper postage affixed and addressed to the party to be notified as provided herein) with a post office or other depository under the care or custody of the United States Postal Service. Any notice, demand or other communication given by means other than certified mail, return receipt requested, shall be deemed to have been given and received when actually delivered to the below stated address of the party to whom it is addressed. All notices, demands and other communications shall be given to the parties hereto at the following addresses:

Purchaser: R + T Studio LLC
Attn: Ryan Terry
3232 Villanova St.
Dallas, Texas 75225

with copies to SettlePou
Attn: Jeffrey J. Porter
3333 Lee Parkway, Eighth Floor
Dallas, Texas 75219
Telephone: (214) 520-3300
Fax: (214) 526-4145

Seller: Bryan Commerce and Development, Inc.
Attn: Lindsey Guindi
P.O. Box 1000
Bryan, Texas 77805-1000

Any party entitled to receive notices hereunder may change the address for notice specified above by giving the other parties entitled to receive notices hereunder ten days' advance written notice of such change of address.

11.2. Contract to Survive. Any and all representations, warranties, covenants and agreements contained herein shall not be deemed to be merged into or waived by the instruments of the Closing but shall expressly survive the Closing.

11.3. Binding Contract. This Contract shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns. This Contract may be assigned by the Purchaser to any person, firm, corporation, or other entity which the Purchaser, at its sole

discretion, may choose. If Purchaser so assigns its rights to this Contract, such assignment shall release Purchaser from all liability hereunder accruing after the date of such assignment without the necessity of further documentation.

11.4. Interpretation and Applicable Law. This Contract shall be construed and interpreted in accordance with the laws of the State of Texas. Where required for proper interpretation, words in the singular shall include the plural, and the masculine gender shall include the neuter and the feminine, and vice versa. The descriptive headings of the several articles, sections and paragraphs contained in this Contract are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof. The term "including," and compounds of the word "include," when preceding a list shall be deemed to mean "including but not limited to."

11.5. Amendment. Except as provided above with respect to the automatically substituted Exhibit "A" Land description, this Contract may not be modified or amended, except by an agreement in writing signed by the Seller and the Purchaser. The parties may waive any of the conditions contained herein or any of the obligations of the other party hereunder, but any such waiver shall be effective only if in writing and signed by the party waiving such conditions or obligations.

11.6. Attorneys' Fees. In the event either party files a lawsuit in connection with this Contract or any provisions contained herein, then the party that prevails in such action shall be entitled to recover from the nonprevailing party, in addition to all other remedies or damages as limited herein, reasonable attorneys' fees and costs of court incurred in such lawsuit. This provision shall survive the termination or Closing of this Contract.

11.7. Entire Agreement. This Contract (as amended pursuant to Section 4.1) constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. Unless set forth in this Contract, no representations, warranties, covenants, agreements or conditions shall be binding upon the parties hereto or shall affect or be effective to interpret, change or restrict the provisions of this Contract.

11.8. Brokers. Each party represents and warrants to the other that no brokers or finders have been engaged by it, respectively, in connection with the transaction contemplated by this Contract or, to its knowledge, is in any way connected with this transaction. In the event of any claim for broker's or finder's fees or commissions in connection with the negotiation, execution or consummation of this Contract, then the party represented by such broker shall be responsible to pay such fees or be in breach of this agreement. This paragraph shall survive the Closing or termination of this Contract.

11.9 Assigns. Purchaser may assign its rights under this Contract to any entity affiliated with or related to Purchaser without the prior written consent of Seller and Purchaser will be released from any obligations of Purchaser hereunder.

11.10. Acceptance. Seller shall have until 5:00 o'clock p.m., on October 1, 2015, Dallas, Texas time, to execute this Contract and return it to Purchaser; otherwise the offer set


forth in this Contract shall be automatically revoked. Prior to that time, Purchaser shall have the right to terminate the offer upon written notice to Seller.

11.11. Miscellaneous. This Contract may be executed in two or more separate counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signatures on counterparts of this Contract that are transmitted by fax shall be deemed effective for all purposes. If, pursuant to this Contract, any date indicated herein falls on a holiday or a Saturday or Sunday, the date so indicated shall mean the next business day following such date. The term "holiday" shall mean any day on which state or national banks are not open for business in the State of Texas. The "Effective Date" of this Contract shall be the date on which it is fully executed by the last of Seller or Purchaser. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. In addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by Seller, Seller hereby agrees to perform, execute and/or deliver or cause to be performed, executed and/or delivered at the Closing or after the Closing, any and all further acts, deeds and assurances as Purchaser may reasonably require (i) to evidence and vest in Purchaser the ownership of, and title to, all of the Property, and (ii) to consummate the transaction contemplated hereunder. The covenant in the immediately preceding sentence shall survive the Closing. Seller shall not, without the prior written consent of Purchaser, disclose to any person or party (except those persons or parties incidentally involved herein) the economic terms of this Contract or the identity of Purchaser. This covenant shall survive the Closing or termination of this Contract.

11.12. 1031. Purchaser and Seller shall reasonably cooperate to enable Purchaser or Seller to consummate this transaction as part of a tax free exchange under Section 1031 of the Internal Revenue Code and related regulations (as amended); provided, however, the accommodating party shall not be obligated to take title to any replacement property or to incur any cost, expense or liability as part of such cooperation. Seller acknowledges that it is relying exclusively on its own tax advisors (and not Purchaser or its advisors) to determine the tax consequences of any 1031 exchange involving the Property.


PURCHASER:

R + T Studio, LLC
a Texas Limited Liability Company

By: 
Name: RYAN TERRY
Title: PRINCIPAL
Date: 9.9.15

SELLER:

Bryan Commerce and Development, Inc.,
a Transportation Code local government
corporation


By: 
Name: Jason Bienski
Title: President
Date: Sept. 23, 2015

Attest: 

The undersigned Title Company acknowledges that upon receipt of the Earnest Money referred to in the foregoing Contract, the undersigned shall accept, hold and disburse the Earnest Money and interest earned thereon in accordance with the provisions of this Contract. The undersigned acknowledges that it is not a party to this Contract and that it is executing below solely for the purpose of the foregoing acknowledgment and agreement.

TITLE COMPANY:

University Title Company

By: 

Its: Authorized Agent

Date: 09.29.2015

- Exhibit A: Land Description
- Exhibit B: Form of Deed
- Exhibit C: Escrow Agreement

EXHIBIT "A"

LEGAL DESCRIPTION

EXHIBIT "B"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER=S LICENSE NUMBER.

WARRANTY DEED

THE STATE OF TEXAS §
 § KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF BRAZOS §

THAT, BRYAN COMMERCE AND DEVELOPMENT, INC. ("Grantor"), for and in consideration of the sum of \$10.00 cash in hand paid by R + T STUDIO, LLC a Texas limited liability company ("Grantee"), whose address is 3232 Villanova St, Dallas, Texas 75225 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantor, has GRANTED, BARGAINED, SOLD and CONVEYED, and by these presents does GRANT, BARGAIN, SELL and CONVEY unto Grantee, that certain tract of real property situated in Brazos County, Texas, and described in Exhibit "A" attached hereto and made a part hereof for all purposes ("Land") and all buildings, fixtures and other improvements located on the Land, if any, together with all and singular the rights, privileges, hereditaments, and appurtenances pertaining to such real property, including, but not limited to, any right, title and interest of Grantor in and to any and all mineral interests of whatever nature, producing or nonproducing, relating to said tract, including, but not limited to, rights of Grantor under any and all oil and gas leases covering said tract (collectively, the "Property").

For the same consideration, Grantor has GRANTED, BARGAINED, SOLD and CONVEYED, and by these presents does GRANT, BARGAIN, SELL and CONVEY unto Grantee, without warranty, express or implied, all interest of Grantor, if any, in (1) strips and gores, if any, between the Property and any abutting properties, whether owned or claimed by deed, limitations or otherwise, and whether located inside or outside the Property; and (2) any land lying in or under the bed of any creek, stream or waterway or any highway, avenue, street, road, alley, easement or right of way, open or proposed, in, or across, abutting or adjacent to the Property.

This conveyance is being made by Grantor and accepted by Grantee subject only to those certain title exceptions and other matters set forth in Exhibit "B" attached hereto and made a part hereof for all purposes, but only to the extent that such exceptions are valid, existing, and, in fact, affect the Property.

TO HAVE AND TO HOLD the Property, together with, all and singular, the rights and appurtenances thereto in anywise belonging, to Grantee and Grantee's successors and assigns

forever; and subject only to the exceptions set forth on the attached Exhibit "B", Grantor does hereby bind Grantor and Grantor's successors and assigns to warrant and forever defend, all and singular, the Property unto the Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

EXECUTED to be effective the ____ day of _____, 20__.

GRANTOR:

THE STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

This instrument was acknowledged before me on _____, 20__, by
_____, _____.

Notary Public, State of Texas
[Seal]

After Recording, Return to:

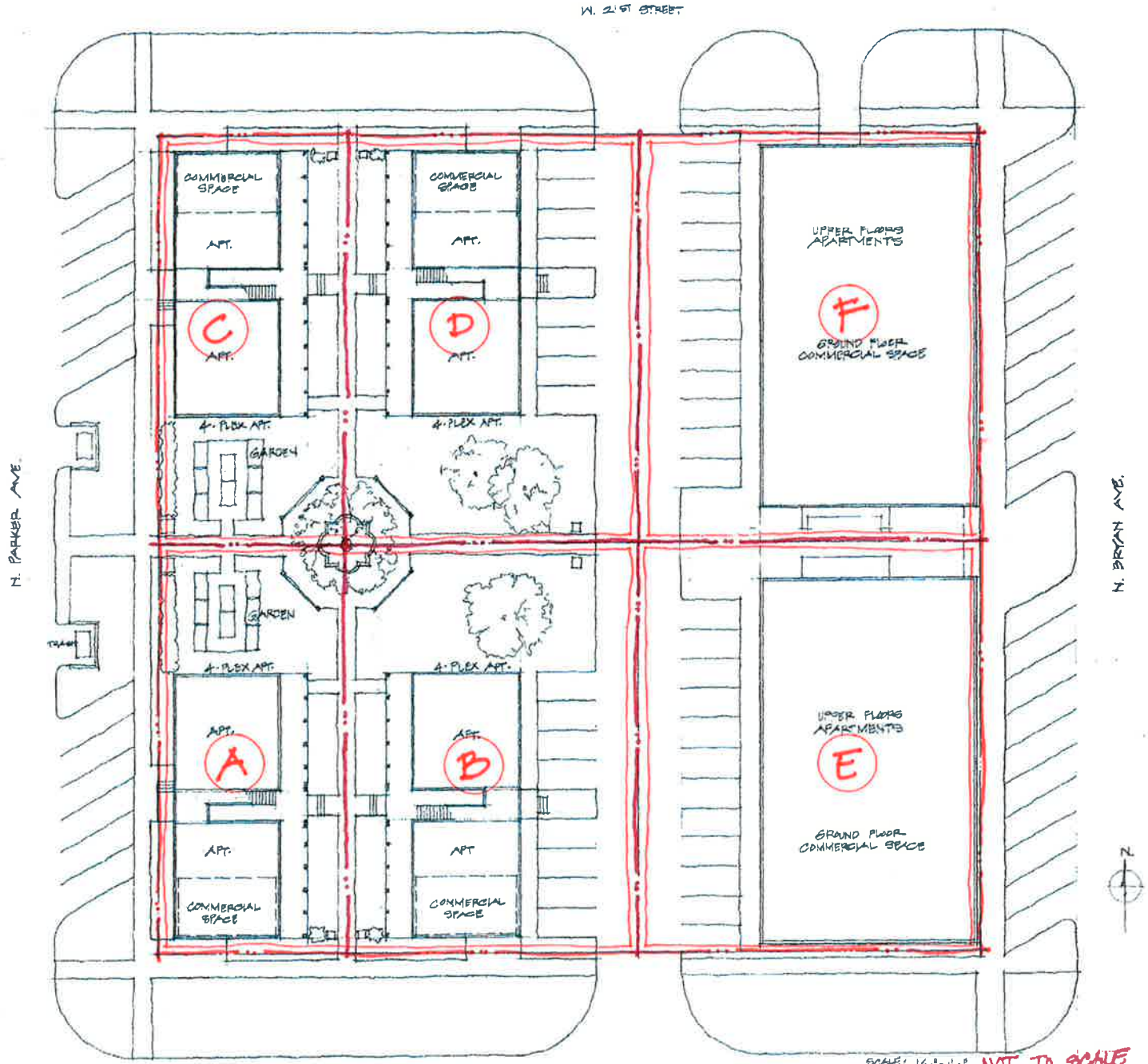
EXHIBIT "A"

LEGAL DESCRIPTION

EXHIBIT "B"

PERMITTED EXCEPTIONS

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SITE PLAN - SCHEMATIC DESIGN
 DOWNTOWN BRYAN, TEXAS
 R+T STUDIO JUNE 25, 2015

W. 22ND STREET

SCALE: 1/8" = 1'-0" NOT TO SCALE

- PHASE 1: PLATS A & B
- PHASE 2: PLATS C & D
- PHASE 3: PLAT E
- PHASE 4: PLAT F

R+T STUDIO, LLC
PHASING PLAN
 JUNE 25, 2015

STATE OF TEXAS §

COUNTY OF BRAZOS §

500 BRYAN NORTH PERFORMANCE AGREEMENT

This Performance Agreement (“Agreement”) is entered into on this ___ day of _____, 2015, by and between Bryan Commerce and Development, Inc. (“BCD”) and Terry Downtown North Development, LLC (“Buyer”) as a framework for the development and sale of the property described below.

WHEREAS, BCD is the current owner of Block 123, Lots 1-R through 6-R, according to the replat filed in Volume 12988, Page 112, of the Official Public Records of Brazos County, Texas, (“Property”) a copy of which is attached hereto as **Exhibit A**; and

WHEREAS, Buyer plans to purchase the Property in phases and develop the property for multi-family residential, light commercial, retail, and/or office uses as shown in a Letter of Intent with BCD dated July 16, 2015; and

WHEREAS, BCD desires to set development benchmarks for each phase to ensure that the Property is developed so as to most effectively benefit the development and continued success of the downtown Bryan area; and

WHEREAS, Buyer agrees with BCD that the proposed development constitutes the highest and best use of the Property and further desires to incur less risk by purchasing the Property in phases, and so is willing to agree to the benchmarks required by BCD; and

WHEREAS, BCD finds that it is in the best interests of the citizens of Bryan and the development of the downtown Bryan area to enter into this Agreement to ensure the development of the Property; and

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

A. Exclusive Option to Purchase the Property

1. During the term of this Agreement, Buyer shall have the exclusive right to purchase the Property (or portions thereof) from BCD.
2. The parties agree that the purchase price of the Property is \$175,000.00, to be purchased in phases, divided as follows:

Phase 1	\$30,000.00	Lots 1-R and 2-R
Phase 2	\$30,000.00	Lots 3-R and 4-R
Phase 3	\$57,500.00	Lot 5-R
Phase 4	\$57,500.00	Lot 6-R

B. Development of the Property

3. If Buyer closes on the Phase 1 property as provided in the Contract of Sale between the Parties dated September 23, 2015, Buyer agrees to obtain a final Certificate of Occupancy (“CO”) for one or more multi-family residential buildings on Phase 1 within eighteen (18) months of the execution of this Agreement. Buyer further agrees to make reasonable efforts to ensure that the improvements on Phase 1 will have achieved a taxable value of \$1,000,000 as appraised by the Brazos Central

Appraisal District (“BCAD”) on or before the date that the certified tax roll is released in the year following the issuance of the CO for the Phase 1 buildings. If Buyer has closed on the Phase 1 property and fails to timely obtain the CO or fails to achieve such property improvement valuation for Phase 1, Buyer shall pay BCD a liquidated damages payment equal to \$30,000.00. BCD acknowledges that Buyer has no direct control over the BCAD appraisal process and further agrees that failure by Buyer to achieve the specified valuation target will in no way void or cancel this agreement.

4. If Buyer has timely completed Phase 1 as described above and Buyer chooses to purchase Phase 2, Buyer and BCD shall execute a contract of sale to purchase Phase 2 in substantially the same form as the initial Contract of Sale between Buyer and BCD executed on September 23, 2015. If Buyer purchases Phase 2, Buyer agrees to obtain a final CO for one or more multi-family residential buildings on Phase 2 within thirty-six (36) months of the execution of this Agreement. Buyer further agrees to make reasonable efforts to ensure that the improvements on Phase 2 will have achieved a taxable value of \$1,000,000 as appraised by BCAD on or before the date that the certified tax roll is released in the year following the issuance of the CO for the Phase 2 buildings. If Buyer has closed on the Phase 2 property and fails to timely obtain the final CO or fails to achieve such property improvement valuation for Phase 2, Buyer shall pay BCD a liquidated damages payment equal to \$30,000.00. BCD acknowledges that Buyer has no direct control over the BCAD appraisal process and further agrees that failure by Buyer to achieve the specified valuation target will in no way void or cancel this agreement.
5. If Buyer has timely completed Phase 2 as described above and Buyer chooses to purchase Phase 3, Buyer and BCD shall execute a contract of sale to purchase Phase 3 in substantially the same form as the initial Contract of Sale between Buyer and BCD executed on September 23, 2015. If Buyer purchases Phase 3, Buyer agrees to obtain a final CO on one or more multi-family residential, commercial, and/or office buildings within six (6) years of the execution of this Agreement. Buyer further agrees to make reasonable efforts to ensure that the improvements on Phase 3 will have achieved a taxable value of \$1,500,000 as appraised by BCAD on or before the date that the certified tax roll is released in the year following the issuance of the CO for the Phase 3 property. If Buyer has closed on the Phase 3 property and fails to timely obtain the final CO or fails to achieve such property improvement valuation for Phase 3, Buyer shall pay BCD a liquidated damages payment equal to \$57,500.00. BCD acknowledges that Buyer has no direct control over the BCAD appraisal process and further agrees that failure by Buyer to achieve the specified valuation target will in no way void or cancel this agreement.
6. If Buyer has timely completed Phase 2 as described above and Buyer chooses to purchase Phase 4, Buyer and BCD shall execute a contract of sale to purchase Phase 4 in substantially the same form as the initial Contract of Sale between Buyer and BCD executed on September 23, 2015. If Buyer purchases Phase 4, Buyer agrees to obtain a final CO on one or more multi-family residential, commercial, and/or office buildings within six (6) years of the execution of this Agreement. Buyer further agrees to make reasonable efforts to ensure that the improvements on Phase 4 will have achieved a taxable value of \$1,500,000 as appraised by BCAD on or before the date that the certified tax roll is released in the year following the issuance of the CO for the Phase 4 property. If Buyer has closed on Phase 4 and fails to timely obtain the final CO or fails to achieve such property improvement valuation for Phase 4, Buyer shall pay BCD a liquidated damages payment equal to \$57,500.00. BCD acknowledges that Buyer has no direct control over the BCAD appraisal process and further agrees that failure by Buyer to achieve the specified valuation target will in no way void or cancel this agreement.

7. If Buyer has timely completed Phase 2 as described above and Buyer chooses to purchase Phases 3 and 4 simultaneously, Buyer and BCD shall execute a contract of sale to purchase Phases 3 and 4 in substantially the same form as the initial Contract of Sale between Buyer and BCD executed on September 23, 2015. If Buyer purchases Phases 3 and 4, Buyer agrees to obtain a final CO on one or more multi-family residential, commercial, and/or office buildings within six (6) years of the execution of this Agreement. Buyer further agrees to make reasonable efforts to ensure that the improvements on Phases 3 and 4 will have achieved a taxable value of \$3,000,000 as appraised by BCAD on or before the date that the certified tax roll is released in the year following the issuance of the CO for the Phase 3 and 4 properties. If Buyer has closed on Phases 3 and 4 and fails to timely obtain the CO or fails to achieve such property improvement valuation for Phases 3 and 4, Buyer shall pay BCD a liquidated damages payment equal to \$115,000.00. BCD acknowledges that Buyer has no direct control over the BCAD appraisal process and further agrees that failure by Buyer to achieve the specified valuation target will in no way void or cancel this agreement.

C. Term & Termination

8. Subject to the other provisions hereof, this Agreement shall be effective from the date hereof and shall continue for a term of seven (7) years; provided, however, Buyer may, in Buyer's sole discretion terminate this Agreement as it applies to any one of Phases 2, 3, and 4 not yet developed ("Remaining Phases") by giving thirty (30) days written notice. If Buyer elects to terminate the Agreement, Buyer shall be released from any obligations described herein pertaining to the Remaining Phases. This provision shall not act to release Buyer from its obligations pertaining to any phase already purchased by Buyer. BCD upon receipt of Buyer's written election to terminate shall be entitled to sell the Remaining Phases to other purchasers.

D. Miscellaneous

9. Texas Government Code Chapter 2264. In accordance with Chapter 2264 of the Texas Government Code, Buyer agrees not to employ any person who is not lawfully admitted for permanent residence to the United States or who is not authorized under law to be employed in the United States ("Undocumented Worker"). During the term of this Agreement, Buyer shall notify BCD of any complaint brought against Buyer alleging that Buyer has employed Undocumented Workers. If Buyer is convicted of a violation under 8 U.S.C. Section 1324a(f), the total amount of economic development grants it has received pursuant to this Agreement, together with interest at the rate of 5% per annum from the date of each payment of an economic development grant, shall be repaid by Buyer to the BCD not later than the 120th day after the date the BCD notifies Buyer of the violation. Buyer shall not be liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee, or by a person with whom Buyer contracts.
10. Successors and Assigns. This Agreement shall extend to and be binding upon the respective successors, assigns, heirs, personal representatives and representatives in bankruptcy of the parties hereto, and shall be covenants running with the land for the full term herein set forth. No assignment of this Agreement by BCD in whole, or in part, shall affect or impair the rights of Buyer or in any case increase Buyer's obligations under this Agreement. Any complete or partial assignment by BCD shall contain a provision obligating BCD's assignee to recognize and perform its respective obligations under this Agreement. No transfer of or succession to the interest of BCD hereunder, wholly or partially, shall affect or bind Buyer until the latter shall have been furnished written notice thereof with copies of all applicable assignment documents showing that the claimant is legally entitled to such interest. Buyer shall not assign this Agreement without BCD's prior written consent, which shall not be unreasonably withheld. However, Buyer may assign this Agreement wholly or in part to a subsidiary or affiliate without the consent of BCD.

11. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective while this Agreement is in effect, such provision shall be automatically deleted from this Agreement and the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and in lieu of such deleted provision, there shall be added as part of this Agreement a provision that is legal, valid and enforceable and that is as similar as possible in terms and substance as possible to the deleted provision.
12. Choice of Law. This Agreement, and all terms and provisions contained herein and the respective obligations of the parties are subject to valid laws, orders, rules and regulations of the duly constituted authorities having jurisdiction. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas. Venue for any litigation arising under this Agreement shall be in a court of appropriate jurisdiction in Brazos County, Texas.
13. Precedence Agreement. This Agreement supersedes and replaces, in entirety, the Letter of Intent dated June 4, 2015.
14. Force Majeure. In the event a party to this Agreement is rendered unable wholly or in part by an event of Force Majeure to carry out its obligations incident to this Agreement, other than the payment of sums of money due, it is agreed that upon giving notice and full particulars of the event of Force Majeure, either by telephone and/or confirmed in writing to the other party after the occurrence of the cause relied on, then the obligation of the party giving such notice, so far as they are affected by such event of Force Majeure from its inception, shall be suspended during the continuance of any inability so caused but for no longer period. Such event shall be, as far as possible, remedied with all reasonable dispatch.

The term "Force Majeure" as used herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of government, either federal or state, inability of any party hereto to obtain necessary materials, supplies or permits due to existing or future rules, orders, and laws of governmental authorities (both federal and state), interruptions by government or court orders, present and future orders of any regulatory body having proper jurisdiction, civil disturbances, explosions, sabotage, breakage or accident to machinery or lines of pipe, freezing of lines of pipe, and any other causes, whether of the kind enumerated or otherwise not within the control of the party claiming suspension and which by the exercise of reasonable care such party could not have prevented or is unable to overcome. The term Force Majeure shall include the inability to acquire, or the delays in acquiring, permits or licenses required to enable a party to fulfill its obligations incident to this Agreement. The term Force Majeure shall not include the failure by Buyer to timely obtain a Certificate of Occupancy for any phase of the project unless such failure is caused by an event of Force Majeure.

15. Amendments. No amendment, modification or alteration of the terms hereof shall be binding unless the same shall be in writing and dated subsequent to the date hereof and duly executed by the parties hereto.
16. Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any and all other legal remedies. Said rights and remedies are provided in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

17. Right to Cure. Failure by Buyer to fulfill any obligation arising hereunder shall not work a forfeiture or termination of this agreement, nor be grounds for cancellation hereof in whole or in part. In the event BCD considers that Buyer is non-compliant with this agreement, BCD shall notify Buyer of the facts relied upon as constituting non-compliance hereof, and Buyer, if in default, shall have ninety (90) days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this agreement.
18. No Waiver. Failure of either party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in anyway affect the validity of this Agreement, any part hereof, or the right of either 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.
19. Notices. Any notices required to be provided pursuant to this Agreement are deemed provided within three (3) days after being sent via U.S. Certified Mail, Return Receipt Requested, or on the day of transmission by facsimile, email, or when hand delivered to the address provided herein. BCD and Buyer hereby designate the following individuals to receive any notices required to be submitted pursuant to the terms of this Agreement:

BCD

Bryan Commerce and Development, Inc.
Attn: President
P.O. Box 1000
Bryan, Texas 77805-1000

BUYER

Terry Downtown North Development, LLC
Attn: Manager
3232 Villanova St.
Dallas, Texas 75225
ryan@rtdevstudio.com

20. Incorporation of Recitals. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.
21. Incorporation of Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.
22. Headings. The paragraph headings contained in this Agreement are for convenience only and do not enlarge or limit the scope or meaning of the paragraphs.
23. Duplicate Originals. The parties may execute this Agreement in duplicate originals, each of equal dignity. If the parties sign this Agreement on different dates, the later date shall be the effective date of this Agreement for all purposes.
24. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural and vice versa, unless the context requires otherwise.
25. No Special Relationship Created. Nothing contained herein, nor any acts of the parties in connection herewith, shall be deemed or construed by the parties hereto or by third parties as creating the relationship of (a) principal and agent, (b) a partnership, or (c) a joint venture, as between the parties hereto. No third party shall obtain any rights as a result of this Agreement.

Executed to be effective this _____ day of _____, 2015.

Bryan Commerce and Development, Inc.

Terry Downtown North Development, LLC

Jason P. Bienski, President

Ryan Terry, Manager

ATTEST

Mary Lynne Stratta, Secretary

APPROVED AS TO FORM

Janis K. Hampton, Attorney