

Lancaster Kiest S/C
3050 S Lancaster

12/2004

Dallas
(Spigel)

Rob rson

**GOVERNMENT
EXHIBIT
3061
3:07-CR-0289-M**

\$5 + mid.

stands no I

\$3-12

Benton Terrace

MARCUS MITCHELL

closed Min and 4 yrs left on lease

↳ was at \$500/ft.

JASON CHOZICK

O. (210) 349-3453

F. " " -3459

SHARON SIMMONS

214-672-1330

8-5-05

showed to

Ross Gentry

(313) 666-9200

Gentry Realty Advisors

↳ Secured Capital Investors

STATE

May 11th Bid due

JUNE 30th

BARNES

Invest Group

866-

The Weitzman Group

NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS®

COMMERCIAL CONTRACT OF SALE

[Check all boxes applicable to this Contract - Boxes not checked do not apply to this Contract]

In consideration of the terms, provisions, covenants and agreements contained in this Commercial Contract of Sale (the "Contract"), each of the parties to this Contract agrees as follows:

1. **PARTIES.** Donaldson Properties, Inc. ("Seller") shall sell and convey to Kiest General, LLC and/or assignees ("Purchaser") and Purchaser shall buy and pay for the Property (defined below).

2. **PROPERTY.** Being a +/- 23 acres of Land and all improvements with an address of 3050 S. Lancaster Road, Blocks 6075 and in the City of Dallas, Dallas County, Texas, further described as: +/- 23 acres of land and all improvements located at 3050 S. Lancaster Road, Blocks 6075 and 6076 in the City of Dallas, County of Dallas, Texas

or as described in Exhibit "A", LEGAL DESCRIPTION and/or shown on Exhibit "B", SITE PLAN, together with, all and singular, all improvements and fixtures situated thereon, and all rights and appurtenances pertaining thereto, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way (such real estate, improvements, fixtures, rights and appurtenances being collectively herein referred to as the "Property").

3. PURCHASE PRICE.

The purchase price for the Property is \$5,500,000.00 (the "Purchase Price"), payable as follows:

A. The Purchase Price will be adjusted up or down based upon the land area of the Property as determined by the Survey. The land area will be multiplied by \$ _____ per square foot and the product will become the Purchase Price at Closing. The land area for purposes of determining the Purchase Price will be the gross land area of the Property unless this box is checked, in which case the land area for purposes of determining the Purchase Price will be the Net Land Area (as defined in Section 5A) of the Property.

B. Cash payable at Closing: \$5,500,000.00.

C. The balance of the Purchase Price will be paid according to the provisions in Addendum B-1, THIRD PARTY FINANCING or Addendum B-2, SELLER FINANCING.

4. EARNEST MONEY AND TITLE COMPANY ESCROW.

A. **Earnest Money.** Within two (2) business days after the Effective Date of this Contract, Purchaser shall deposit earnest money in the form of a certified check, cashier's check or wire transfer in the amount of \$ 10,000.00 (the "Earnest Money") payable to Hexter Fair Title Company, Dallas, Texas

(the "Title Company"), in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Contract. Seller's acceptance of this Contract is expressly conditioned upon Purchaser's timely deposit of the Earnest Money with the Title Company. If Purchaser fails to timely deposit the Earnest Money, Seller may, at Seller's option, terminate this Contract by delivering a written termination notice to Purchaser before Purchaser deposits the Earnest Money. The Title Company shall deposit the Earnest Money in one or more fully insured accounts in one or more Federally insured banking or savings institutions. After receipt of necessary tax forms from Purchaser, the Title Company shall deposit the Earnest Money in an interest bearing account unless this box is checked, in which case the Title Company will not be required to deposit the Earnest Money in an interest bearing account. Any interest earned on the Earnest Money will become a part of the Earnest Money. At the Closing, the Earnest Money will be applied to the Purchase Price.

Notwithstanding anything herein to the contrary, a portion of the Earnest Money in the amount of \$100.00 will be non-refundable and will be distributed to Seller upon any termination of this Contract as full payment and independent

consideration for Seller's performance under this Contract. If this Contract is properly terminated by Purchaser pursuant to a right of termination granted to Purchaser by any provision of this Contract, the Earnest Money, less the non-refundable portion, will be promptly returned to Purchaser, and the parties will have no further rights or obligations under this Contract (except for any that, by the explicit provisions of this Contract, expressly survive the termination of this Contract).

B. Escrow. The Earnest Money is deposited with the Title Company with the understanding that the Title Company is not: (1) responsible for the performance or non-performance of any party to this Contract; or (2) liable for interest on the funds except to the extent interest has been earned after the funds have been deposited in an interest bearing account. If both parties make demand for the payment of the Earnest Money, the Title Company has the right to require from all parties and the Brokers (defined below) a written release of liability of the Title Company which authorizes the disbursement of the Earnest Money. If only one party makes demand for payment of the refundable portion of the Earnest Money, the Title Company shall give written notice of the demand to the other party. The Title Company is authorized and directed to honor the demand unless the other party delivers a written objection to the Title Company within ten (10) days after that party receives the written notice from the Title Company.

5. SURVEY AND TITLE DOCUMENTS.

A. Survey. As soon as reasonably possible, and in any event within twenty (20) days after the Effective Date, Seller shall, at Seller's expense, deliver or cause to be delivered to Purchaser a copy of a current on-the-ground perimeter survey (the "Survey") of the Property prepared by a Registered Professional Land Surveyor. The Survey must be in a form and of a date reasonably acceptable to Purchaser and to the Title Company, and in acceptable form in order to allow the Title Company to modify the survey exception to read "any shortages in area." The Survey must show the location and size of all of the following on or immediately adjacent to the Property, if any: buildings, building lines, streets, 100-year flood plain, improvements, encroachments, easements, recording information of easements, pavements, protrusions, fences, rights-of-way, and apparent public utilities. The Survey must show the gross land area and, if the Purchase Price is based upon the Net Land Area then the Survey must also show the Net Land Area. The term "Net Land Area" means the gross land area of the Property less the area within utility easements, drainage easements, ingress/egress easements, rights-of-way, 100-year flood plain and any encroachments on the Property. The area within the 100-year flood plain must be as defined by the Federal Emergency Management Agency or other applicable governmental authority. At the Closing, the metes and bounds description of the Property reflected in the Survey will be used in the warranty deed and any other documents requiring a legal description of the Property.

B. Title Commitment. As soon as reasonably possible, and in any event within twenty (20) days after the Effective Date, Seller shall, at Seller's expense, deliver or cause to be delivered to Purchaser: (1) A title commitment (the "Title Commitment") covering the Property binding the Title Company to issue a Texas Owner Policy of Title Insurance (the "Title Policy") on the standard form prescribed by the Texas Department of Insurance at the Closing, in the full amount of the Purchase Price, insuring Purchaser's fee simple title to the Property to be good and indefeasible, subject only to the Permitted Exceptions (defined below); and (2) the following (collectively, the "Title Documents"): (a) true and legible copies of all recorded instruments affecting the Property and recited as exceptions in the Title Commitment; (b) a current tax certificate; (c) written notices as required in Section 5C; and (d) if the Property includes any personal property, UCC search reports pertaining to the Seller.

C. Special Assessment Districts. If the Property is situated within a utility district or flood control district subject to the provisions of Section 49.452 of the Texas Water Code, then Seller shall give to Purchaser as part of the Title Documents the required written notice and Purchaser agrees to acknowledge receipt of the notice in writing. The notice must set forth the current tax rate, the current bonded indebtedness and the authorized indebtedness of the district, and must comply with all other applicable requirements of the Texas Water Code. If the Property is subject to mandatory membership in a property owner's association, Seller shall notify Purchaser of the current annual budget of the property owners' association, and the current authorized fees, dues and/or assessments relating to the Property.

D. Abstract. At the time of the execution of this Contract, Purchaser acknowledges that the Brokers have advised and hereby advise Purchaser, by this writing, that Purchaser should have the abstract covering the Property examined by an attorney of Purchaser's own selection or that Purchaser should be furnished with or obtain a policy of title insurance.

E. Notice Regarding Possible Annexation. If the Property that is the subject of this Contract is located outside the limits of a municipality, the Property may now or later be included in the extraterritorial jurisdiction of the municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.

6. REVIEW OF TITLE.

A. Review Period. Purchaser shall have Thirty (30) days (the "Title Review Period") after receipt of the last of the Survey, Title Commitment and Title Documents to review them and to deliver in writing to Seller any objections Purchaser may have to them or any item disclosed by them. Any item to which Purchaser does not object will be deemed a "Permitted Exception." Those items the Title Company identifies to be released upon the Closing will be deemed objections by Purchaser. Purchaser's failure to object within the time provided will be a waiver of the right to object. If Purchaser delivers any written objections to Seller within the Title Review Period, then Seller shall make a good faith attempt to cure the objections within ten (10) days (the "Cure Period") after receipt of the objections. However, Seller is not required to incur any cost to do so. Zoning ordinances and the lien for current taxes are deemed to be Permitted Exceptions.

B. Cure Period. If Seller cannot cure the objections within the Cure Period, Seller may deliver a written notice to Purchaser, before expiration of the Cure Period, stating whether Seller is committed to cure the objections at or before the Closing. If Seller does not cure the objections within the Cure Period, or does not timely deliver the notice, or does not commit in the notice to fully cure all of the objections at or before Closing, then Purchaser may terminate this Contract by delivering a written notice to Seller on or before the earlier to occur of: (1) the date which is seven (7) days after the expiration of the Cure Period; or (2) the scheduled Closing Date. If Purchaser properly and timely terminates this Contract, the refundable portion of the Earnest Money will be immediately returned to Purchaser and neither party will have any further rights or obligations under this Contract (except for any that expressly survive the termination). If Purchaser does not properly and timely terminate this Contract, then Purchaser will be deemed to have waived any uncured objections and must accept such title as Seller is able to convey at the Closing. Seller's failure to satisfy Purchaser's objections under this Section 6 does not constitute a default by Seller.

7. SELLER'S REPRESENTATIONS AND WARRANTIES.

A. Statements. Seller represents and warrants to Purchaser, to the best of Seller's knowledge, as follows:

(1) **Title.** At the Closing, Seller will have the right to, and will, convey to Purchaser good and indefeasible fee simple title to the Property free and clear of any and all liens, assessments, easements, security interests and other encumbrances except the Permitted Exceptions. Delivery of the Title Policy pursuant to Section 12 below will be deemed to satisfy the obligation of Seller as to the sufficiency of title required under this Contract. However, delivery of the Title Policy will not release Seller from the warranties of title set forth in the warranty deed.

(2) **Leases.** There are no parties in possession of any portion of the Property as lessees, tenants at sufferance or trespassers except tenants under written leases delivered to Purchaser pursuant to this Contract.

(3) **Negative Covenants.** Seller shall not further encumber the Property or allow an encumbrance upon the title to the Property, or modify the terms or conditions of any existing leases, contracts or encumbrances, if any, without the written consent of Purchaser.

(4) **Liens and Debts.** There are no mechanic's liens, Uniform Commercial Code liens or unrecorded liens against the Property, and Seller shall not allow any such liens to attach to the Property before the Closing that will not be satisfied out of Closing proceeds. All obligations of Seller arising from the ownership and operation of the Property and any business operated on the Property, including, but not limited to, taxes, leasing commissions, salaries, contracts, and similar agreements, have been paid or will be paid before the Closing. Except for obligations for which provisions are made in this Contract for prorating at the Closing and any indebtedness taken subject to or assumed, there will be no obligations of Seller with respect to the Property outstanding as of the Closing.

(5) **Litigation.** There is no pending or threatened litigation, condemnation, or assessment affecting the Property. Seller shall promptly advise Purchaser of any litigation, condemnation or assessment affecting the Property that is instituted after the Effective Date.

(6) **Material Defects.** Seller has disclosed to Purchaser any and all known conditions of a material nature with respect to the Property which may affect the health or safety of any occupant of the Property. Except as disclosed in writing by Seller to Purchaser, the Property has no known latent structural defects or construction defects of a material nature, and none of the improvements have been constructed with materials known to be a potential health hazard to occupants of the Property. Purchaser acknowledges that the Brokers have not made any warranty or representation with respect to the condition of the Property or otherwise, and Purchaser is relying solely upon Purchaser's own investigations and the representations of Seller, if any.

(7) **Hazardous Materials.** Except as otherwise disclosed in writing by Seller to Purchaser, the Property (including any improvements) does not contain any Hazardous Materials (defined below). For purposes of this Contract, the term "**Hazardous Materials**" means any pollutants, toxic substances, oils, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Clean Water Act, as amended, or any other Federal, State or local environmental law, ordinance, rule, or regulation, whether existing as of the Effective Date or subsequently enacted.

B. Remedies. If Purchaser discovers, before the Closing, that any of Seller's representations or warranties has been misrepresented or is inaccurate, Purchaser may notify Seller in writing, and Seller shall attempt to correct or remedy the misrepresentation or inaccuracy. If the misrepresentation or inaccuracy is not remedied by Seller before the Closing, Purchaser may, by written notice to Seller: (1) proceed to the Closing without waiving any claim for misrepresentation or breach of warranty; (2) delay the Closing, if Seller agrees in writing to the delay, to allow additional time for the misrepresentation or breach of warranty to be remedied; or (3) exercise Purchaser's remedies for default by Seller under this Contract.

8. NONCONFORMANCE. Purchaser has or will independently investigate and verify to Purchaser's satisfaction the extent of any limitations of uses of the Property. Purchaser acknowledges that the current use of the Property or the improvements located on the Property (or both) may not conform to applicable Federal, State or municipal laws, ordinances, codes or regulations. Zoning, permitted uses, height limitations, setback requirements, minimum parking requirements, limitations on coverage of improvements to total area of land, Americans with Disabilities Act requirements, wetlands restrictions and other matters may have a significant economic impact upon the intended use of the Property by Purchaser. However, if Seller is aware of pending zoning changes and/or current nonconformance with any Federal, State or local laws, ordinances, codes or regulations, Seller shall disclose same to Purchaser.

9. INSPECTION. [Check one]

- A. Inspection Desired.** Purchaser desires to inspect the Property and Seller grants to Purchaser the right to inspect the Property as described in Addendum C, INSPECTION.
- B. Inspection Not Necessary.** Purchaser acknowledges that Purchaser has inspected the Property, including all buildings and improvements thereon, and is thoroughly familiar with their condition, and Purchaser hereby accepts the Property in its present condition, with such changes as may hereafter be caused by normal wear and tear before the Closing, but without waiving Purchaser's rights by virtue of Seller's representations and warranties expressed in this Contract.

10. CASUALTY LOSS AND CONDEMNATION.

- A. Damage or Destruction.** All risk of loss to the Property will remain upon Seller before the Closing. If, before the Closing, the Property is damaged or destroyed by fire or other casualty to a Material Extent (defined below), then Purchaser may either terminate this Contract by delivering a written termination notice to Seller or elect to close. If, before the Closing, the Property is damaged by fire or other casualty to less than a Material Extent, the parties shall proceed to Closing as provided in this Contract. If the transaction is to proceed to Closing, despite any damage or destruction, there will be no reduction in the Purchase Price and Seller shall do one of the following: (1) fully repair the damage before the Closing, at Seller's expense; (2) give a credit to Purchaser at the Closing for the entire cost of repairing the Property; or (3) assign to Purchaser all of Seller's right and interest in any insurance proceeds resulting from the damage or destruction, plus give a credit to Purchaser at the Closing in an amount equal to any deductible or other shortfall. The term "**Material Extent**" means damage or destruction where the cost of repair exceeds ten percent (10%) of the Purchase Price. If the extent of damage or the amount of insurance proceeds to be made available cannot be determined before the Closing Date, or the repairs cannot be completed before the Closing Date, either party may postpone the Closing Date by delivering a written notice to the other party specifying an extended Closing Date which is not more than thirty (30) days after the previously scheduled Closing Date.
- B. Condemnation.** If condemnation proceedings are commenced before Closing against any portion of the Property, then Seller shall immediately notify Purchaser in writing of the condemnation proceedings, and Purchaser may: (1) terminate this Contract by delivering a written notice to Seller within ten (10) days after Purchaser receives the notice (and in any event before Closing), in which case the refundable portion of the Earnest Money will be returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination); or (2) appear and defend in the condemnation proceeding, in which case any award in condemnation will, (a) if known as of Closing, belong to Seller and the Purchase Price will be reduced by the same amount, or (b) if not known as of Closing, belong to Purchaser and the Purchase Price will not be reduced.

11. ASSIGNMENT. *[Check one]*

- A. **Limited Assignment Permitted.** Purchaser may assign this Contract only to a related party, defined as: (1) an entity in which Purchaser is an owner, partner or corporate officer; (2) an entity which is owned or controlled by the same person or persons which own or control Purchaser; or (3) a member or members of the immediate family of Purchaser, or a trust in which the beneficiary or beneficiaries is or are a member or members of the immediate family of Purchaser. Purchaser will remain liable under this Contract after any assignment.
- B. **Assignment Prohibited.** Purchaser may not assign this Contract without Seller's prior written consent.
- C. **Assignment Permitted.** Purchaser may assign this Contract provided the assignee assumes in writing all obligations and liabilities of Purchaser under this Contract, in which event Purchaser will be relieved of any further liability under this Contract.

12. CLOSING.

A. **Closing Date.** The closing of the transaction described in this Contract (the "Closing") will be held at 10:00 a.m. at the offices of the Title Company at its address stated below, on the date (the "Closing Date") that is the later of sixty _____ (60) days after the expiration of the Inspection Period (if any); _____ () days after the Effective Date; or _____ . However, if any objections that were timely made by Purchaser in writing pursuant to Section 6A have not been cured, then either party may postpone the Closing Date by delivering a written notice to the other party specifying an extended Closing Date which is not more than thirty (30) days after the previously scheduled Closing Date.

B. **Seller's Closing Obligations.** At the Closing, Seller shall deliver to Purchaser, at Seller's expense:

(1) A duly executed *[check one]* General Warranty Deed Special Warranty Deed (with Vendor's Lien retained if not a cash purchase) conveying the Property in fee simple according to the legal description prepared by the surveyor as shown on the Survey, subject only to the Permitted Exceptions;

(2) An updated Title Commitment committing the underwriter for the Title Company to issue promptly after the Closing, at Seller's expense, the Title Policy pursuant to the Title Commitment, subject only to the Permitted Exceptions, in the full amount of the Purchase Price, dated as of the date of the Closing, and (at an additional premium cost) *[check only one if applicable]* with the survey exception modified at Seller's expense to read "any shortages in area," or with the survey exception modified at Purchaser's expense to read "any shortages in area;"

(3) A Bill of Sale conveying the personal property, if any, including, but not limited to any described on Addendum A, IMPROVED PROPERTY, free and clear of liens, security interests and encumbrances, subject only to the Permitted Exceptions (to the extent applicable);

(4) Possession of the Property, subject to valid existing leases disclosed by Seller to Purchaser and other applicable Permitted Exceptions;

(5) A executed assignment of all leases, if there are any leases affecting the Property;

(6) A current rent roll certified by Seller to be complete and accurate, if there are any leases affecting the Property;

(7) Evidence of Seller's authority and capacity to close this transaction; and

(8) All other documents reasonably required by the Title Company to close this transaction.

C. **Purchaser's Closing Obligations.** At the Closing, Purchaser shall deliver to Seller, at Purchaser's expense:

(1) The cash portion of the Purchase Price, with the Earnest Money being applied thereto;

(2) The Note and the Deed of Trust, if Addendum B-2, SELLER FINANCING, is attached;

(3) An Assumption Agreement in recordable form agreeing to pay all commissions payable under any lease of the Property;

(4) Evidence of Purchaser's authority and capacity to close this transaction; and

(5) All other documents reasonably required by the Title Company to close this transaction.

D. Closing Costs. Each party shall pay its share of the closing costs which are customarily paid by a seller or purchaser in a transaction of this character in the county where the Property is located, or as otherwise agreed.

E. Prorations. Rents, lease commissions, interest, insurance premiums, maintenance expenses, operating expenses, and ad valorem taxes for the year of Closing will be prorated at the Closing effective as of the date of the Closing. Seller shall give a credit to Purchaser at Closing in the aggregate amount of any security deposits deposited by tenants under leases affecting the Property. If the Closing occurs before the tax rate is fixed for the year of the Closing, the apportionment of the taxes will be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation, but any difference between actual and estimated taxes for the year of the Closing actually paid by Purchaser will be adjusted equitably between the parties upon receipt of a written statement of the actual amount of the taxes. This provision will survive the Closing.

F. Loan Assumption. If Purchaser assumes an existing mortgage loan at the Closing, Purchaser shall pay: (1) to the lender, any assumption fee charged by the lender; and (2) to Seller, a sum equal to the amount of any reserve accounts held by the lender for the payment of taxes, insurance and any other expenses applicable to the Property for which reserve accounts are held by the lender. Purchaser shall execute, at the option and expense of Seller, a Deed of Trust to Secure Assumption with a trustee named by Seller. If consent to the assumption is required by the lender, Seller shall obtain the lender's consent in writing and deliver the consent to Purchaser at the Closing. If Seller does not obtain the lender's written consent (if required) and deliver it to Purchaser at or before the Closing, Purchaser may terminate this Contract by delivering a written termination notice to Seller whereupon the refundable portion of the Earnest Money will be promptly returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination).

G. Rollback Taxes. If this sale or a change in use of the Property or denial of any special use valuation on the Property results in the assessment after Closing of additional taxes applicable to the period of time before the Closing, Seller shall pay to Purchaser the additional taxes plus any penalties and interest immediately upon receipt of a written statement for the taxes, unless this box is checked in which case Purchaser shall pay the additional taxes plus any penalties and interest. This obligation will survive the Closing.

H. Foreign Person Notification. If Seller is a Foreign Person, as defined by the Internal Revenue Code, or if Seller fails to deliver to Purchaser a non-foreign affidavit pursuant to Section 1445 of the Internal Revenue Code, then Purchaser may withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the withheld proceeds to the Internal Revenue Service, together with appropriate tax forms. The required affidavit from Seller will include: (1) a statement that Seller is not a foreign person; (2) the U. S. taxpayer identification number of Seller; and (3) any other information required by Section 1445 of the Internal Revenue Code.

13. DEFAULT.

A. Purchaser's Remedies. If Seller fails to close this Contract for any reason except Purchaser's default or the termination of this Contract pursuant to a right to terminate set forth in this Contract, Seller will be in default and Purchaser shall elect one of the following, as Purchaser's sole remedy *[check all that may apply]*:

- (1) Enforce specific performance of this Contract;
- (2) Bring suit for damages against Seller;
- (3) Enforce specific performance of this Contract and/or bring suit for damages against Seller; or
- (4) Terminate this Contract and immediately receive the refundable portion of the Earnest Money. If Purchaser elects to terminate this Contract due to Seller's default, then the parties will have no further rights or obligations under this Contract except for Seller's obligation to cause the refundable portion of the Earnest Money to be returned to Purchaser (and except for any that expressly survive the termination).

B. Seller's Remedies. If Purchaser fails to close this Contract for any reason except Seller's default or the termination of this Contract pursuant to a right to terminate set forth in this Contract, Purchaser will be in default and Seller shall elect one of the following, as Seller's sole remedy *[check all that may apply]*:

- (1) Enforce specific performance of this Contract;
- (2) Bring suit for damages against Purchaser;
- (3) Enforce specific performance of this Contract and/or bring suit for damages against Purchaser; or
- (4) Terminate this Contract and immediately receive the Earnest Money as liquidated damages for Purchaser's breach of this Contract, thereby releasing Purchaser from this Contract. If Seller terminates this Contract due to Purchaser's default, then the parties will have no further rights or obligations under this Contract except for Purchaser's obligation to cause the Earnest Money to be paid to Seller (and except for any that expressly survive the termination).

14. AGENCY DISCLOSURE.

A. Agency Relationships. The Term "**Brokers**" refers to the Principal Broker and/or the Cooperating Broker, if applicable, as set forth on the signature page. Each Broker has duties only to the party the Broker represents as identified below. If either Broker is acting as an intermediary, then that Broker will have only the duties of an intermediary, and the intermediary disclosure and consent provisions apply as set forth below. *[Each broker check only one]*

(1) The Principal Broker is: agent for Seller only; or agent for Purchaser only; or an intermediary.

(2) The Cooperating Broker is: agent for Seller only; agent for Purchaser only; or an intermediary.

B. Other Brokers. Seller and Purchaser each represent to the other that they have had no dealings with any person, firm, agent or finder in connection with the negotiation of this Contract and/or the consummation of the purchase and sale contemplated by this Contract, other than the Brokers named in this Contract, and no real estate broker, agent, attorney, person, firm or entity, other than the Brokers is entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of the representing party. Each party agrees to indemnify, defend, protect and hold the other party harmless from and against any costs, expenses or liability for any compensation, commission, fee, or charges which may be claimed by any agent, finder or other similar party, other than the named Brokers, by reason of any dealings or acts of the indemnifying party.

C. Fee Sharing. Seller and Purchaser agree that the Brokers may share the Fee (defined below) among themselves, their sales associates, and any other licensed brokers involved in the sale of the Property. The parties authorize the Title Company to pay the Fee directly to the Principal Broker and, if applicable, the Cooperating Broker, in accordance with Section 15 or any other agreement pertaining to the Fee. Payment of the Fee will not alter the fiduciary relationships between the parties and the Brokers.

D. Intermediary Relationship. If either of the Brokers has indicated in Section 14A above that the Broker is acting as an intermediary in this transaction, then Purchaser and Seller hereby consent to the intermediary relationship, authorize the respective Brokers to act as an intermediary in this transaction, and acknowledge that the source of any expected compensation to the Brokers will be Seller, and the Brokers may also be paid a fee by Purchaser. A real estate broker who acts as an intermediary between parties in a transaction:

(1) may not disclose to the buyer that the seller will accept a price less than the asking price unless otherwise instructed in a separate writing by the seller;

(2) may not disclose to the seller that the buyer will pay a price greater than the price submitted in a written offer to the seller unless otherwise instructed in a separate writing by the buyer;

(3) may not disclose any confidential information or any information a party specifically instructs the real estate broker in writing not to disclose unless otherwise instructed in a separate writing by the respective party or required to disclose such information by the Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property;

(4) shall treat all parties to the transaction honestly; and

(5) shall comply with the Texas Real Estate License Act.

Broker is authorized to appoint, by providing written notice to the parties, one or more licensees associated with Broker to communicate with and carry out instructions of one party, and one or more other licensees associated with Broker to communicate with and carry out instructions of the other party or parties. During negotiations, an appointed licensee may provide opinions and advice to the party to whom the licensee is appointed.

15. PROFESSIONAL SERVICE FEE

A. Payment of Fee. Seller agrees to pay the Brokers a professional service fee (in cash) (the "Fee") for procuring the Purchaser and for assisting in the negotiation of this Contract as follows: Seller shall pay a commission of six percent (6%) of the total Gross Sales Price to The Weitzman Group, sole broker.

The Fee will be earned upon the execution of this Contract and will be paid at Closing. The Fee is earned notwithstanding: (1) any subsequent termination of this Contract (except a termination by Purchaser pursuant to a right of termination in this Contract); or (2) any default by Seller. If the transaction described in this Contract is not consummated by reason of Purchaser's default and Seller does not elect to enforce specific performance, the Fee will not exceed one-half of the Earnest Money. The Fee will be paid by Seller to the Brokers in the county in which the Property is located. Seller shall pay any applicable sales taxes on the Fee. The Fee will be paid at the Closing of a sale of the Property by Seller pursuant to this Contract (as may be amended or assigned), or in the event of default under this Contract by Seller or Purchaser, within ten (10) days after the scheduled Closing Date. The Title Company or other escrow agent is authorized and directed to pay the Fee to the Brokers out of the Closing proceeds or, if applicable, out of the Earnest Money or any other escrow deposit made pursuant to this Contract.

B. Consent Required. Purchaser, Seller and Title Company agree that the Brokers are third party beneficiaries of this Contract with respect to the Fee, and that no change may be made by Purchaser, Seller or Title Company as to the time of payment, amount of payment or the conditions for payment of the Fee without the written consent of the Brokers.

C. Right to Claim a Lien. Pursuant to Chapter 62 of the Texas Property Code, the Brokers hereby disclose their right to claim a lien based on the commission agreement set forth in this Section 15 and any other commission agreements referenced in this Contract or applicable to the transaction contemplated by this Contract. This disclosure is hereby incorporated in any such commission agreements.

16. MISCELLANEOUS PROVISIONS.

A. Effective Date. The "Effective Date" is the date the Title Company acknowledges receipt of this fully executed Contract.

B. Notices. All notices and other communications required or permitted under this Contract must be in writing and will be deemed delivered, whether actually received or not, on the earlier of: (1) actual receipt, if delivered in person or by messenger with evidence of delivery; ~~(2) receipt of an electronic facsimile ("Fax") transmission with confirmation of delivery to the Fax telephone numbers specified below, if any;~~ or (3) upon deposit with the United States Postal Service, certified mail, return receipt requested, postage prepaid, and properly addressed to the intended recipient at the address set forth below. Any party may change its address for notice purposes by delivering written notice of its new address to all other parties in the manner set forth above. Copies of all written notices should also be delivered to the Brokers and to the Title Company, but failure to notify the Brokers or the Title Company will not cause an otherwise properly delivered notice to be ineffective.

C. Termination. If this Contract is terminated for any reason, the obligations of each party under this Contract will terminate, except that: (1) Purchaser shall pay the costs to repair any damage to the Property caused by Purchaser or Purchaser's agents; (2) Purchaser shall return to Seller any reports or documents delivered to Purchaser by Seller; and (3) each party shall perform any other obligations that expressly survive the termination of this Contract. The obligations of this Section 16C will survive the termination of this Contract. The terms of any mutual termination agreement will supersede and control over the provisions of this Section 16C to the extent of any conflict.

D. Forms. In case of a dispute as to the form of any document required under this Contract, the most recent form prepared by the State Bar of Texas, modified as necessary to conform to the requirements of this Contract, will be deemed reasonable.

E. Attorneys Fees. The prevailing party in any legal proceeding brought in relation to this Contract or transaction will be entitled to recover from the non-prevailing parties court costs, reasonable attorneys fees and all other reasonable litigation expenses.

F. Integration. This Contract contains the complete agreement between the parties with respect to the Property and cannot be varied except by written agreement. The parties agree that there are no oral agreements, understandings, representations or warranties made by the parties which are not expressly set forth in this Contract. Any prior written agreements, understandings, representations or warranties between the parties will be deemed merged into and superceded by this Contract, unless it is clear from the written document that the intent of the parties is for the previous written agreement, understanding, representation or warranty to survive the execution of this Contract.

G. Survival. Any warranty, representation, covenant or condition contained in this Contract not otherwise discharged at the Closing will survive the Closing of this transaction.

H. Binding Effect. This Contract will inure to the benefit of, and will be binding upon, the parties to this Contract and their respective heirs, legal representatives, successors and assigns.

I. Time For Performance. Time is of the essence under each provision of this Contract. Strict compliance with the times for performance is required.

J. Right of Entry. After reasonable advance notice and during normal business hours, Purchaser, Purchaser's representatives and the Brokers have the right to enter upon the Property before the Closing for purposes of viewing, inspecting and conducting studies of the Property, so long as they do not unreasonably interfere with the use of the Property by Seller or any tenants, or cause damage to the Property.

K. Business Day. If any date of performance under this Contract falls on a Saturday, Sunday or Texas legal holiday, such date of performance will be deferred to the next day that is not a Saturday, Sunday or Texas legal holiday.

L. Governing Law. This Contract will be construed under and governed by the laws of the State of Texas, and unless otherwise provided in this Contract, all obligations of the parties created under this Contract are to be performed in the county where the Property is located.

M. Severability. If any provision of this Contract is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the invalid, illegal, or unenforceable provision will not affect any other provisions, and this Contract will be construed as if the invalid, illegal, or unenforceable provision is severed and deleted from this Contract.

N. Broker Disclaimer. The Brokers will disclose to Purchaser any material factual knowledge the Brokers may possess about the condition of the Property. Purchaser understands that a real estate broker is not an expert in matters of law, tax, financing, surveying, hazardous materials, engineering, construction, safety, zoning, land planning, architecture, or the Americans with Disabilities Act. Purchaser acknowledges that Purchaser has been advised by the Brokers to seek expert assistance on such matters. The Brokers do not investigate a property's compliance with building codes, governmental ordinances, statutes and laws that relate to the use or condition of the Property or its construction, or that relate to its acquisition. Purchaser is not relying upon any representations of the Brokers concerning permitted uses of the Property or with respect to any nonconformance of the Property. If the Brokers provide names of consultants or sources for advice or assistance, the Brokers do not warrant the services of the advisors or their products and cannot warrant the suitability of property to be acquired. Purchaser acknowledges that current and future federal, state and local laws and regulations may require any Hazardous Materials to be removed at the expense of those persons who may have had or continue to have any interest in the Property. The expense of such removal may be substantial. Purchaser agrees to look solely to experts and professionals selected or approved by Purchaser to advise Purchaser with respect to the condition of the Property and will not hold the Brokers responsible for any Hazardous Materials condition relating to the Property. The Brokers do not warrant that Seller will disclose any or all property defects or other matters pertaining to the Property or its condition. Seller and Purchaser agree to hold the Brokers harmless from any damages, claims, costs and expenses resulting from or related to any party furnishing to the Brokers or Purchaser any false, incorrect or inaccurate information with respect to the Property or Seller's concealing any material information with respect to the condition of the Property. To the extent permitted by applicable law, the Brokers' liability for errors or omissions, negligence, or otherwise, is limited to the return of the Fee, if any, paid to the responsible Broker pursuant to this Contract. In addition, Seller and Purchaser agree to defend and hold the Brokers participating in this transaction harmless from and against any and all liabilities, claims, debts, damages, costs, and expenses including, but not limited to, reasonable attorneys fees and court costs, related to or arising out of or in any way connected to representations about the Property or matters that should be analyzed by experts.

O. Counterparts. This Contract may be executed in a number of identical counterparts. Each counterpart is deemed an original and all counterparts will, collectively, constitute one agreement.

P. Gender; Number. Unless the context requires otherwise, all pronouns used in this Contract will be construed to include the other genders, whether used in the masculine, feminine or neuter gender. Words in the singular number will be construed to include the plural, and words in the plural will be construed to include the singular.

Q. Mediation. If any dispute (the "Dispute") arises between any of the parties to this Contract including, but not limited to, payment of the Fee, then any party (including any Broker) may give written notice to the other parties requiring all involved parties to attempt to resolve the Dispute by mediation. Except in those circumstances where a party reasonably believes that an applicable statute of limitations period is about to expire, or a party requires injunctive or equitable relief, the parties are obligated

to use this mediation procedure before initiating arbitration or any other action. Within seven (7) days after receipt of the mediation notice, each party must deliver a written designation to all other parties stating the names of one or more individuals with authority to resolve the Dispute on such party's behalf. Within fourteen (14) days after receipt of the mediation notice, the parties shall make a good faith effort to select a qualified mediator to mediate the Dispute. If the parties are unable to timely agree upon a mutually acceptable mediator, any party may request JAMS/Endispute or any state or federal district judge to appoint a mediator. In consultation with the mediator, the parties shall promptly designate a mutually convenient time and place for the mediation, that is no later than thirty (30) days after the date the mediator is selected. In the mediation, each party must be represented by persons with authority and discretion to negotiate a resolution of the Dispute, and may be represented by counsel. The mediation will be governed by applicable provisions of Chapter 154 of the Texas Civil Practice and Remedies Code, and such other rules as the mediator may prescribe. The fees and expenses of the mediator will be shared equally by all parties included in the Dispute.

R. Arbitration. If the parties are unable to resolve any Dispute by mediation, then the parties shall submit the Dispute to binding arbitration before a single arbitrator. The Dispute will be decided by arbitration in accordance with the applicable arbitration statute and any rules selected by the arbitrator. After an unsuccessful mediation, any party may initiate the arbitration procedure by delivering a written notice of demand for arbitration to the other parties. Within fourteen (14) days after the receipt of the written notice of demand for arbitration, the parties shall make a good faith effort to select a qualified arbitrator acceptable to all parties. If the parties are unable to agree upon the selection of an arbitrator, then any party may apply to JAMS/Endispute, the American Arbitration Association, or a court of competent jurisdiction to appoint an arbitrator. This agreement to arbitrate will be specifically enforceable under the prevailing arbitration law.

S. Consult an Attorney. This document is an enforceable, legally binding agreement. Read it carefully. The Brokers involved in the negotiation of the transaction described in this Contract cannot give legal advice. The parties to this Contract acknowledge that they have been advised by the Brokers to have this Contract reviewed by legal counsel before signing this Contract.

Purchaser's attorney is: _____

Seller's attorney is: _____

17. ADDITIONAL PROVISIONS. *[Additional provisions may be set forth below or on any attached Addendum].*

18. EXHIBITS AND ADDENDA. All Exhibits and Addenda attached to this Contract are incorporated herein by reference and made a part of this Contract for all purposes *[check all that apply]:*

- | | |
|---|---|
| <input checked="" type="checkbox"/> Exhibit "A" Survey and/or Legal Description | <input type="checkbox"/> Addendum A Improved Property |
| <input type="checkbox"/> Exhibit "B" Site Plan | <input type="checkbox"/> Addendum B-1 Third Party Financing |
| <input type="checkbox"/> Exhibit "C" _____ | <input type="checkbox"/> Addendum B-2 Seller Financing |
| | <input checked="" type="checkbox"/> Addendum C Inspection |
| | <input type="checkbox"/> Addendum D Disclosure Notice |
| | <input type="checkbox"/> Addendum E Lead Based Paint |
| | <input type="checkbox"/> Addendum F Additional Provisions |

19. **CONTRACT AS OFFER.** The execution of this Contract by the first party do so constitutes an offer to purchase or sell the Property. Unless, within _____ (_____) days after the date of execution of this Contract by the first party, this Contract is accepted by the other party by signing the offer and delivering a fully executed copy to the first party, the offer of this Contract will be deemed automatically withdrawn, and the Earnest Money, if any, will be promptly returned to Purchaser.

EXECUTED to be effective as of the Effective Date.

SELLER

Donaldson Properties, Inc. _____

By: (Signature) _____
Name: **Donaldson Properties, Inc.** _____
Title: _____

By: (Signature) _____
Name: _____
Title: _____

Address: _____

Telephone: _____ Fax: _____
Tax I.D. No: _____
Date of Execution: _____

PRINCIPAL BROKER

By: (Signature) _____
Name: _____
Title: _____
Address: _____

Telephone: _____ Fax: _____
TREC License No.: _____

PURCHASER

Kiest General, LLC and/or assignees _____

By: (Signature) _____
Name: **Kiest General, LLC and/or assignees** _____
Title: _____

By: (Signature) _____
Name: _____
Title: _____

Address: **318A Dallas Drive** _____
Denton, Texas 76205 _____

Telephone: **940-243-0812** Fax: **940-243-0945** _____
Tax I.D. No: _____
Date of Execution: _____

COOPERATING BROKER

The Weitzman Group _____

By: (Signature) _____
Name: _____
Title: _____
Address: **3102 Maple Ave, Ste 350** _____
Dallas, Texas 75201 _____

Telephone: **214-954-0600** Fax: **214-953-0860** _____
TREC License No.: _____

TITLE COMPANY RECEIPT: The Title Company acknowledges receipt of this Contract on _____ (the Effective Date) and, upon receipt of the Earnest Money, accepts the Earnest Money subject to the terms and conditions set forth in this Contract.

TITLE COMPANY

By: (Signature) _____
Name: _____
Title: _____

Address: _____
Telephone: _____ Fax: _____

PERMISSION TO USE: This form is provided for the use of members of the North Texas Commercial Association of Realtors®, Inc. Permission is granted to make limited copies of the current version of this form for use in a particular Texas real estate transaction. Please contact the NTCAR office to confirm you are using the current version of this form. Mass production, or reproduction for resale, is not allowed without express permission.

The Weitzman Group

NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS®

ADDENDUM C TO COMMERCIAL CONTRACT OF SALE

INSPECTION

Property address or description: +/- 23 acres of land and all improvements located at 3050 S. Lancaster Road, Blo and 6076 in the City of Dallas, Dallas County, Texas

1. **Inspection Period.** Purchaser will have a period of One Hundred Twenty (120) days after the Effective Date (the "**Inspection Period**") to inspect the Property and conduct studies regarding the Property. Purchaser's studies may include, without limitation: (1) permitted use and zoning of the Property; (2) core borings; (3) environmental and architectural tests and investigations; (4) physical inspections of improvements, fixtures, equipment, subsurface soils, structural members, and personal property; and (5) examination of agreements, manuals, plans, specifications and other documents relating to the construction and condition of the Property. Purchaser and Purchaser's agents, employees, consultants and contractors will have the right of reasonable entry onto the Property during normal business hours, and upon reasonable advance notice to Seller and any tenants on the Property, for purposes of inspections, studies, tests and examinations deemed necessary by Purchaser. The inspections, studies, tests and examinations will be at Purchaser's expense and risk. Purchaser shall defend and indemnify Seller against any claims that arise due to any actions by Purchaser or Purchaser's agents, employees, consultants and contractors.
2. **Reports.**
 - A. Within N/A (N/A) days after the Effective Date, Seller shall deliver to Purchaser a written report of an environmental assessment of the Property. The report will be prepared, at Seller's expense, by an environmental consultant reasonably acceptable to Purchaser. The environmental assessment must include a "**Phase I**" investigation into the existence of Hazardous Materials (as defined in Section 7H of this Contract) in, on or around the Property. The environmental assessment must also include a land use history search, engineering inspections, research and studies that may be necessary to discover the existence of Hazardous Materials.
 - B. Within ten (10) days after the Effective Date, Seller shall deliver to Purchaser copies of all reports in Seller's possession of engineering investigations, tests and environmental studies that have been made with respect to the Property within the two year period before the Effective Date.
 - C. If Purchaser terminates this Contract, Purchaser shall deliver to Seller, at Purchaser's expense and contemporaneously with the termination, copies of all written reports, inspections, plats, drawings and studies made by Purchaser and Purchaser's agents, consultants and contractors. This provision will survive the termination of this Contract.
3. **Termination.** If Purchaser determines, in Purchaser's sole discretion, no matter how arbitrary, that the Property is not satisfactory or is not suitable for Purchaser's intended use or purpose, then Purchaser may terminate this Contract by delivering a written notice to Seller on or before the last day of the Inspection Period, and the refundable portion of the Earnest Money will be promptly returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination).
4. **Acceptance.** If Purchaser does not properly and timely terminate this Contract before the expiration of the Inspection Period (or if Purchaser accepts the Property in writing) then Purchaser will be deemed to have waived all objections to the Property under this Contract, except for any title objections which may be outstanding pursuant to Section 6 of this Contract. In that event, Purchaser agrees to purchase the Property in its current condition without any further representations or warranties of Seller, except any objections which Seller may expressly agree in writing to cure, and this Contract will continue in full force and effect and the parties shall proceed to Closing. This provision does not, however, limit or invalidate any express representations or warranties Seller has made in this Contract.
5. **Restoration.** If the transaction described in this Contract does not close through no fault of Seller, and the condition of the Property was altered due to inspections, studies, tests or examinations performed by Purchaser or on Purchaser's behalf, then Purchaser must restore the Property to its original condition at Purchaser's expense.

The Weitzman Group

NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS® COMMERCIAL CONTRACT OF SALE

[Check all boxes applicable to this Contract - Boxes not checked do not apply to this Contract]

In consideration of the terms, provisions, covenants and agreements contained in this Commercial Contract of Sale (the "Contract"), each of the parties to this Contract agrees as follows:

1. **PARTIES.** _____ N/A ("Seller")
shall sell and convey to _____ N/A ("Purchaser")
and Purchaser shall buy and pay for the Property (defined below).

2. **PROPERTY.** Being a N/A 1450 S. Lancaster Rd - Dallas
with an address of N/A
in the City of _____ N/A _____ N/A County, Texas, further described as: N/A
N/A
N/A

or as described in **Exhibit "A"**, LEGAL DESCRIPTION and/or shown on **Exhibit "B"**, SITE PLAN, together with, all and singular, all improvements and fixtures situated thereon, and all rights and appurtenances pertaining thereto, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way (such real estate, improvements, fixtures, rights and appurtenances being collectively herein referred to as the "Property").

3. PURCHASE PRICE.

The purchase price for the Property is \$N/A (the "Purchase Price"), payable as follows:

- A. The Purchase Price will be adjusted up or down based upon the land area of the Property as determined by the Survey. The land area will be multiplied by \$ N/A per square foot and the product will become the Purchase Price at Closing. The land area for purposes of determining the Purchase Price will be the gross land area of the Property unless this box is checked, in which case the land area for purposes of determining the Purchase Price will be the Net Land Area (as defined in Section 5A) of the Property.
- B. Cash payable at Closing: \$N/A
- C. The balance of the Purchase Price will be paid according to the provisions in Addendum B-1, THIRD PARTY FINANCING or Addendum B-2, SELLER FINANCING.

4. EARNEST MONEY AND TITLE COMPANY ESCROW.

A. **Earnest Money.** Within two (2) business days after the Effective Date of this Contract, Purchaser shall deposit earnest money in the form of a certified check, cashier's check or wire transfer in the amount of \$N/A (the "Earnest Money") payable to N/A

N/A (the "Title Company"), in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Contract. Seller's acceptance of this Contract is expressly conditioned upon Purchaser's timely deposit of the Earnest Money with the Title Company. If Purchaser fails to timely deposit the Earnest Money, Seller may, at Seller's option, terminate this Contract by delivering a written termination notice to Purchaser before Purchaser deposits the Earnest Money. The Title Company shall deposit the Earnest Money in one or more fully insured accounts in one or more Federally insured banking or savings institutions. After receipt of necessary tax forms from Purchaser, the Title Company shall deposit the Earnest Money in an interest bearing account unless this box is checked, in which case the Title Company will not be required to deposit the Earnest Money in an interest bearing account. Any interest earned on the Earnest Money will become a part of the Earnest Money. At the Closing, the Earnest Money will be applied to the Purchase Price.

Notwithstanding anything herein to the contrary, a portion of the Earnest Money in the amount of \$100.00 will be non-refundable and will be distributed to Seller upon any termination of this Contract as full payment and independent

consideration for Seller's performance under this Contract. If this Contract is properly terminated by Purchaser pursuant to a right of termination granted to Purchaser by any provision of this Contract, the Earnest Money, less the non-refundable portion, will be promptly returned to Purchaser, and the parties will have no further rights or obligations under this Contract (except for any that, by the explicit provisions of this Contract, expressly survive the termination of this Contract).

B. Escrow. The Earnest Money is deposited with the Title Company with the understanding that the Title Company is not: (1) responsible for the performance or non-performance of any party to this Contract; or (2) liable for interest on the funds except to the extent interest has been earned after the funds have been deposited in an interest bearing account. If both parties make demand for the payment of the Earnest Money, the Title Company has the right to require from all parties and the Brokers (defined below) a written release of liability of the Title Company which authorizes the disbursement of the Earnest Money. If only one party makes demand for payment of the refundable portion of the Earnest Money, the Title Company shall give written notice of the demand to the other party. The Title Company is authorized and directed to honor the demand unless the other party delivers a written objection to the Title Company within ten (10) days after that party receives the written notice from the Title Company.

5. SURVEY AND TITLE DOCUMENTS.

A. Survey. As soon as reasonably possible, and in any event within twenty (20) days after the Effective Date, Seller shall, at Seller's expense, deliver or cause to be delivered to Purchaser a copy of a current on-the-ground perimeter survey (the "**Survey**") of the Property prepared by a Registered Professional Land Surveyor. The Survey must be in a form and of a date reasonably acceptable to Purchaser and to the Title Company, and in acceptable form in order to allow the Title Company to modify the survey exception to read "any shortages in area." The Survey must show the location and size of all of the following on or immediately adjacent to the Property, if any: buildings, building lines, streets, 100-year flood plain, improvements, encroachments, easements, recording information of easements, pavements, protrusions, fences, rights-of-way, and apparent public utilities. The Survey must show the gross land area and, if the Purchase Price is based upon the Net Land Area then the Survey must also show the Net Land Area. The term "**Net Land Area**" means the gross land area of the Property less the area within utility easements, drainage easements, ingress/egress easements, rights-of-way, 100-year flood plain and any encroachments on the Property. The area within the 100-year flood plain must be as defined by the Federal Emergency Management Agency or other applicable governmental authority. At the Closing, the metes and bounds description of the Property reflected in the Survey will be used in the warranty deed and any other documents requiring a legal description of the Property.

B. Title Commitment. As soon as reasonably possible, and in any event within twenty (20) days after the Effective Date, Seller shall, at Seller's expense, deliver or cause to be delivered to Purchaser: (1) A title commitment (the "**Title Commitment**") covering the Property binding the Title Company to issue a Texas Owner Policy of Title Insurance (the "**Title Policy**") on the standard form prescribed by the Texas Department of Insurance at the Closing, in the full amount of the Purchase Price, insuring Purchaser's fee simple title to the Property to be good and indefeasible, subject only to the Permitted Exceptions (defined below); and (2) the following (collectively, the "**Title Documents**"): (a) true and legible copies of all recorded instruments affecting the Property and recited as exceptions in the Title Commitment; (b) a current tax certificate; (c) written notices as required in Section 5C; and (d) if the Property includes any personal property, UCC search reports pertaining to the Seller.

C. Special Assessment Districts. If the Property is situated within a utility district or flood control district subject to the provisions of Section 49.452 of the Texas Water Code, then Seller shall give to Purchaser as part of the Title Documents the required written notice and Purchaser agrees to acknowledge receipt of the notice in writing. The notice must set forth the current tax rate, the current bonded indebtedness and the authorized indebtedness of the district, and must comply with all other applicable requirements of the Texas Water Code. If the Property is subject to mandatory membership in a property owner's association, Seller shall notify Purchaser of the current annual budget of the property owners' association, and the current authorized fees, dues and/or assessments relating to the Property.

D. Abstract. At the time of the execution of this Contract, Purchaser acknowledges that the Brokers have advised and hereby advise Purchaser, by this writing, that Purchaser should have the abstract covering the Property examined by an attorney of Purchaser's own selection or that Purchaser should be furnished with or obtain a policy of title insurance.

E. Notice Regarding Possible Annexation. If the Property that is the subject of this Contract is located outside the limits of a municipality, the Property may now or later be included in the extraterritorial jurisdiction of the municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.

6. REVIEW OF TITLE.

A. Review Period. Purchaser shall have 30 N/A (N/A) days (the "Title Review Period") after receipt of the last of the Survey, Title Commitment and Title Documents to review them and to deliver in writing to Seller any objections Purchaser may have to them or any item disclosed by them. Any item to which Purchaser does not object will be deemed a "Permitted Exception." Those items the Title Company identifies to be released upon the Closing will be deemed objections by Purchaser. Purchaser's failure to object within the time provided will be a waiver of the right to object. If Purchaser delivers any written objections to Seller within the Title Review Period, then Seller shall make a good faith attempt to cure the objections within ten (10) days (the "Cure Period") after receipt of the objections. However, Seller is not required to incur any cost to do so. Zoning ordinances and the lien for current taxes are deemed to be Permitted Exceptions.

B. Cure Period. If Seller cannot cure the objections within the Cure Period, Seller may deliver a written notice to Purchaser, before expiration of the Cure Period, stating whether Seller is committed to cure the objections at or before the Closing. If Seller does not cure the objections within the Cure Period, or does not timely deliver the notice, or does not commit in the notice to fully cure all of the objections at or before Closing, then Purchaser may terminate this Contract by delivering a written notice to Seller on or before the earlier to occur of: (1) the date which is seven (7) days after the expiration of the Cure Period; or (2) the scheduled Closing Date. If Purchaser properly and timely terminates this Contract, the refundable portion of the Earnest Money will be immediately returned to Purchaser and neither party will have any further rights or obligations under this Contract (except for any that expressly survive the termination). If Purchaser does not properly and timely terminate this Contract, then Purchaser will be deemed to have waived any uncured objections and must accept such title as Seller is able to convey at the Closing. Seller's failure to satisfy Purchaser's objections under this Section 6 does not constitute a default by Seller.

7. SELLER'S REPRESENTATIONS AND WARRANTIES.

A. Statements. Seller represents and warrants to Purchaser, to the best of Seller's knowledge, as follows:

(1) **Title.** At the Closing, Seller will have the right to, and will, convey to Purchaser good and indefeasible fee simple title to the Property free and clear of any and all liens, assessments, easements, security interests and other encumbrances except the Permitted Exceptions. Delivery of the Title Policy pursuant to Section 12 below will be deemed to satisfy the obligation of Seller as to the sufficiency of title required under this Contract. However, delivery of the Title Policy will not release Seller from the warranties of title set forth in the warranty deed.

(2) **Leases.** There are no parties in possession of any portion of the Property as lessees, tenants at sufferance or trespassers except tenants under written leases delivered to Purchaser pursuant to this Contract.

(3) **Negative Covenants.** Seller shall not further encumber the Property or allow an encumbrance upon the title to the Property, or modify the terms or conditions of any existing leases, contracts or encumbrances, if any, without the written consent of Purchaser.

(4) **Liens and Debts.** There are no mechanic's liens, Uniform Commercial Code liens or unrecorded liens against the Property, and Seller shall not allow any such liens to attach to the Property before the Closing that will not be satisfied out of Closing proceeds. All obligations of Seller arising from the ownership and operation of the Property and any business operated on the Property, including, but not limited to, taxes, leasing commissions, salaries, contracts, and similar agreements, have been paid or will be paid before the Closing. Except for obligations for which provisions are made in this Contract for prorating at the Closing and any indebtedness taken subject to or assumed, there will be no obligations of Seller with respect to the Property outstanding as of the Closing.

(5) **Litigation.** There is no pending or threatened litigation, condemnation, or assessment affecting the Property. Seller shall promptly advise Purchaser of any litigation, condemnation or assessment affecting the Property that is instituted after the Effective Date.

(6) **Material Defects.** Seller has disclosed to Purchaser any and all known conditions of a material nature with respect to the Property which may affect the health or safety of any occupant of the Property. Except as disclosed in writing by Seller to Purchaser, the Property has no known latent structural defects or construction defects of a material nature, and none of the improvements have been constructed with materials known to be a potential health hazard to occupants of the Property. Purchaser acknowledges that the Brokers have not made any warranty or representation with respect to the condition of the Property or otherwise, and Purchaser is relying solely upon Purchaser's own investigations and the representations of Seller, if any.

(7) **Hazardous Materials.** Except as otherwise disclosed in writing by Seller to Purchaser, the Property (including any improvements) does not contain any Hazardous Materials (defined below). For purposes of this Contract, the term "Hazardous Materials" means any pollutants, toxic substances, oils, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Clean Water Act, as amended, or any other Federal, State or local environmental law, ordinance, rule, or regulation, whether existing as of the Effective Date or subsequently enacted.

B. Remedies. If Purchaser discovers, before the Closing, that any of Seller's representations or warranties has been misrepresented or is inaccurate, Purchaser may notify Seller in writing, and Seller shall attempt to correct or remedy the misrepresentation or inaccuracy. If the misrepresentation or inaccuracy is not remedied by Seller before the Closing, Purchaser may, by written notice to Seller: (1) proceed to the Closing without waiving any claim for misrepresentation or breach of warranty; (2) delay the Closing, if Seller agrees in writing to the delay, to allow additional time for the misrepresentation or breach of warranty to be remedied; or (3) exercise Purchaser's remedies for default by Seller under this Contract.

8. NONCONFORMANCE. Purchaser has or will independently investigate and verify to Purchaser's satisfaction the extent of any limitations of uses of the Property. Purchaser acknowledges that the current use of the Property or the improvements located on the Property (or both) may not conform to applicable Federal, State or municipal laws, ordinances, codes or regulations. Zoning, permitted uses, height limitations, setback requirements, minimum parking requirements, limitations on coverage of improvements to total area of land, Americans with Disabilities Act requirements, wetlands restrictions and other matters may have a significant economic impact upon the intended use of the Property by Purchaser. However, if Seller is aware of pending zoning changes and/or current nonconformance with any Federal, State or local laws, ordinances, codes or regulations, Seller shall disclose same to Purchaser.

9. INSPECTION. [Check one]

120 Days

A. Inspection Desired. Purchaser desires to inspect the Property and Seller grants to Purchaser the right to inspect the Property as described in Addendum C, INSPECTION.

B. Inspection Not Necessary. Purchaser acknowledges that Purchaser has inspected the Property, including all buildings and improvements thereon, and is thoroughly familiar with their condition, and Purchaser hereby accepts the Property in its present condition, with such changes as may hereafter be caused by normal wear and tear before the Closing, but without waiving Purchaser's rights by virtue of Seller's representations and warranties expressed in this Contract.

10. CASUALTY LOSS AND CONDEMNATION.

A. Damage or Destruction. All risk of loss to the Property will remain upon Seller before the Closing. If, before the Closing, the Property is damaged or destroyed by fire or other casualty to a Material Extent (defined below), then Purchaser may either terminate this Contract by delivering a written termination notice to Seller or elect to close. If, before the Closing, the Property is damaged by fire or other casualty to less than a Material Extent, the parties shall proceed to Closing as provided in this Contract. If the transaction is to proceed to Closing, despite any damage or destruction, there will be no reduction in the Purchase Price and Seller shall do one of the following: (1) fully repair the damage before the Closing, at Seller's expense; (2) give a credit to Purchaser at the Closing for the entire cost of repairing the Property; or (3) assign to Purchaser all of Seller's right and interest in any insurance proceeds resulting from the damage or destruction, plus give a credit to Purchaser at the Closing in an amount equal to any deductible or other shortfall. The term "Material Extent" means damage or destruction where the cost of repair exceeds ten percent (10%) of the Purchase Price. If the extent of damage or the amount of insurance proceeds to be made available cannot be determined before the Closing Date, or the repairs cannot be completed before the Closing Date, either party may postpone the Closing Date by delivering a written notice to the other party specifying an extended Closing Date which is not more than thirty (30) days after the previously scheduled Closing Date.

B. Condemnation. If condemnation proceedings are commenced before Closing against any portion of the Property, then Seller shall immediately notify Purchaser in writing of the condemnation proceedings, and Purchaser may: (1) terminate this Contract by delivering a written notice to Seller within ten (10) days after Purchaser receives the notice (and in any event before Closing), in which case the refundable portion of the Earnest Money will be returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination); or (2) appear and defend in the condemnation proceeding, in which case any award in condemnation will, (a) if known as of Closing, belong to Seller and the Purchase Price will be reduced by the same amount, or (b) if not known as of Closing, belong to Purchaser and the Purchase Price will not be reduced.

11. ASSIGNMENT. *[Check one]*

- A. **Limited Assignment Permitted.** Purchaser may assign this Contract only to a related party, defined as: (1) an entity in which Purchaser is an owner, partner or corporate officer; (2) an entity which is owned or controlled by the same person or persons which own or control Purchaser; or (3) a member or members of the immediate family of Purchaser, or a trust in which the beneficiary or beneficiaries is or are a member or members of the immediate family of Purchaser. Purchaser will remain liable under this Contract after any assignment.
- B. **Assignment Prohibited.** Purchaser may not assign this Contract without Seller's prior written consent.
- C. **Assignment Permitted.** Purchaser may assign this Contract provided the assignee assumes in writing all obligations and liabilities of Purchaser under this Contract, in which event Purchaser will be relieved of any further liability under this Contract.

12. CLOSING.

A. **Closing Date.** The closing of the transaction described in this Contract (the "Closing") will be held at 10:00 a.m. at the offices of the Title Company at its address stated below, on the date (the "Closing Date") that is the later of N/A (N/A) days after the expiration of the Inspection Period (if any); N/A (N/A) days after the Effective Date; or N/A. However, if any objections that were timely made by Purchaser in writing pursuant to Section 6A have not been cured, then either party may postpone the Closing Date by delivering a written notice to the other party specifying an extended Closing Date which is not more than thirty (30) days after the previously scheduled Closing Date.

B. **Seller's Closing Obligations.** At the Closing, Seller shall deliver to Purchaser, at Seller's expense:

(1) A duly executed *[check one]* General Warranty Deed Special Warranty Deed (with Vendor's Lien retained if not a cash purchase) conveying the Property in fee simple according to the legal description prepared by the surveyor as shown on the Survey, subject only to the Permitted Exceptions;

(2) An updated Title Commitment committing the underwriter for the Title Company to issue promptly after the Closing, at Seller's expense, the Title Policy pursuant to the Title Commitment, subject only to the Permitted Exceptions, in the full amount of the Purchase Price, dated as of the date of the Closing, and (at an additional premium cost) *[check only one if applicable]* with the survey exception modified at Seller's expense to read "any shortages in area," or with the survey exception modified at Purchaser's expense to read "any shortages in area;"

(3) A Bill of Sale conveying the personal property, if any, including, but not limited to any described on Addendum A, **IMPROVED PROPERTY**, free and clear of liens, security interests and encumbrances, subject only to the Permitted Exceptions (to the extent applicable);

(4) Possession of the Property, subject to valid existing leases disclosed by Seller to Purchaser and other applicable Permitted Exceptions;

(5) A executed assignment of all leases, if there are any leases affecting the Property;

(6) A current rent roll certified by Seller to be complete and accurate, if there are any leases affecting the Property;

(7) Evidence of Seller's authority and capacity to close this transaction; and

(8) All other documents reasonably required by the Title Company to close this transaction.

C. **Purchaser's Closing Obligations.** At the Closing, Purchaser shall deliver to Seller, at Purchaser's expense:

(1) The cash portion of the Purchase Price, with the Earnest Money being applied thereto;

(2) The Note and the Deed of Trust, if Addendum B-2, **SELLER FINANCING**, is attached;

(3) An Assumption Agreement in recordable form agreeing to pay all commissions payable under any lease of the Property;

(4) Evidence of Purchaser's authority and capacity to close this transaction; and

(5) All other documents reasonably required by the Title Company to close this transaction.

D. Closing Costs. Each party shall pay its share of the closing costs which are customarily paid by a seller or purchaser in a transaction of this character in the county where the Property is located, or as otherwise agreed.

E. Prorations. Rents, lease commissions, interest, insurance premiums, maintenance expenses, operating expenses, and ad valorem taxes for the year of Closing will be prorated at the Closing effective as of the date of the Closing. Seller shall give a credit to Purchaser at Closing in the aggregate amount of any security deposits deposited by tenants under leases affecting the Property. If the Closing occurs before the tax rate is fixed for the year of the Closing, the apportionment of the taxes will be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation, but any difference between actual and estimated taxes for the year of the Closing actually paid by Purchaser will be adjusted equitably between the parties upon receipt of a written statement of the actual amount of the taxes. This provision will survive the Closing.

F. Loan Assumption. If Purchaser assumes an existing mortgage loan at the Closing, Purchaser shall pay: (1) to the lender, any assumption fee charged by the lender; and (2) to Seller, a sum equal to the amount of any reserve accounts held by the lender for the payment of taxes, insurance and any other expenses applicable to the Property for which reserve accounts are held by the lender. Purchaser shall execute, at the option and expense of Seller, a Deed of Trust to Secure Assumption with a trustee named by Seller. If consent to the assumption is required by the lender, Seller shall obtain the lender's consent in writing and deliver the consent to Purchaser at the Closing. If Seller does not obtain the lender's written consent (if required) and deliver it to Purchaser at or before the Closing, Purchaser may terminate this Contract by delivering a written termination notice to Seller whereupon the refundable portion of the Earnest Money will be promptly returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination).

G. Rollback Taxes. If this sale or a change in use of the Property or denial of any special use valuation on the Property results in the assessment after Closing of additional taxes applicable to the period of time before the Closing, Seller shall pay to Purchaser the additional taxes plus any penalties and interest immediately upon receipt of a written statement for the taxes, unless this box is checked in which case Purchaser shall pay the additional taxes plus any penalties and interest. This obligation will survive the Closing.

H. Foreign Person Notification. If Seller is a Foreign Person, as defined by the Internal Revenue Code, or if Seller fails to deliver to Purchaser a non-foreign affidavit pursuant to Section 1445 of the Internal Revenue Code, then Purchaser may withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the withheld proceeds to the Internal Revenue Service, together with appropriate tax forms. The required affidavit from Seller will include: (1) a statement that Seller is not a foreign person; (2) the U. S. taxpayer identification number of Seller; and (3) any other information required by Section 1445 of the Internal Revenue Code.

13. DEFAULT.

A. Purchaser's Remedies. If Seller fails to close this Contract for any reason except Purchaser's default or the termination of this Contract pursuant to a right to terminate set forth in this Contract, Seller will be in default and Purchaser shall elect one of the following, as Purchaser's sole remedy *[check all that may apply]*:

- (1) Enforce specific performance of this Contract;
- (2) Bring suit for damages against Seller;
- (3) Enforce specific performance of this Contract and/or bring suit for damages against Seller; or
- (4) Terminate this Contract and immediately receive the refundable portion of the Earnest Money. If Purchaser elects to terminate this Contract due to Seller's default, then the parties will have no further rights or obligations under this Contract except for Seller's obligation to cause the refundable portion of the Earnest Money to be returned to Purchaser (and except for any that expressly survive the termination).

B. Seller's Remedies. If Purchaser fails to close this Contract for any reason except Seller's default or the termination of this Contract pursuant to a right to terminate set forth in this Contract, Purchaser will be in default and Seller shall elect one of the following, as Seller's sole remedy *[check all that may apply]*:

- (1) Enforce specific performance of this Contract;
- (2) Bring suit for damages against Purchaser;
- (3) Enforce specific performance of this Contract and/or bring suit for damages against Purchaser; or
- (4) Terminate this Contract and immediately receive the Earnest Money as liquidated damages for Purchaser's breach of this Contract, thereby releasing Purchaser from this Contract. If Seller terminates this Contract due to Purchaser's default, then the parties will have no further rights or obligations under this Contract except for Purchaser's obligation to cause the Earnest Money to be paid to Seller (and except for any that expressly survive the termination).

14. AGENCY DISCLOSURE.

A. Agency Relationships. The Term "Brokers" refers to the Principal Broker and/or the Cooperating Broker, if applicable, as set forth on the signature page. Each Broker has duties only to the party the Broker represents as identified below. If either Broker is acting as an intermediary, then that Broker will have only the duties of an intermediary, and the intermediary disclosure and consent provisions apply as set forth below. *[Each broker check only one]*

(1) The Principal Broker is: agent for Seller only; or agent for Purchaser only; or an intermediary.

(2) The Cooperating Broker is: agent for Seller only; agent for Purchaser only; or an intermediary.

B. Other Brokers. Seller and Purchaser each represent to the other that they have had no dealings with any person, firm, agent or finder in connection with the negotiation of this Contract and/or the consummation of the purchase and sale contemplated by this Contract, other than the Brokers named in this Contract, and no real estate broker, agent, attorney, person, firm or entity, other than the Brokers is entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of the representing party. Each party agrees to indemnify, defend, protect and hold the other party harmless from and against any costs, expenses or liability for any compensation, commission, fee, or charges which may be claimed by any agent, finder or other similar party, other than the named Brokers, by reason of any dealings or acts of the indemnifying party.

C. Fee Sharing. Seller and Purchaser agree that the Brokers may share the Fee (defined below) among themselves, their sales associates, and any other licensed brokers involved in the sale of the Property. The parties authorize the Title Company to pay the Fee directly to the Principal Broker and, if applicable, the Cooperating Broker, in accordance with Section 15 or any other agreement pertaining to the Fee. Payment of the Fee will not alter the fiduciary relationships between the parties and the Brokers.

D. Intermediary Relationship. If either of the Brokers has indicated in Section 14A above that the Broker is acting as an intermediary in this transaction, then Purchaser and Seller hereby consent to the intermediary relationship, authorize the respective Brokers to act as an intermediary in this transaction, and acknowledge that the source of any expected compensation to the Brokers will be Seller, and the Brokers may also be paid a fee by Purchaser. A real estate broker who acts as an intermediary between parties in a transaction:

(1) may not disclose to the buyer that the seller will accept a price less than the asking price unless otherwise instructed in a separate writing by the seller;

(2) may not disclose to the seller that the buyer will pay a price greater than the price submitted in a written offer to the seller unless otherwise instructed in a separate writing by the buyer;

(3) may not disclose any confidential information or any information a party specifically instructs the real estate broker in writing not to disclose unless otherwise instructed in a separate writing by the respective party or required to disclose such information by the Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property;

(4) shall treat all parties to the transaction honestly; and

(5) shall comply with the Texas Real Estate License Act.

Broker is authorized to appoint, by providing written notice to the parties, one or more licensees associated with Broker to communicate with and carry out instructions of one party, and one or more other licensees associated with Broker to communicate with and carry out instructions of the other party or parties. During negotiations, an appointed licensee may provide opinions and advice to the party to whom the licensee is appointed.

15. PROFESSIONAL SERVICE FEE

A. Payment of Fee. Seller agrees to pay the Brokers a professional service fee (in cash) (the "Fee") for procuring the Purchaser and for assisting in the negotiation of this Contract as follows: N/A
N/A
N/A

The Fee will be earned upon the execution of this Contract and will be paid at Closing. The Fee is earned notwithstanding: (1) any subsequent termination of this Contract (except a termination by Purchaser pursuant to a right of termination in this Contract); or (2) any default by Seller. If the transaction described in this Contract is not consummated by reason of Purchaser's default and Seller does not elect to enforce specific performance, the Fee will not exceed one-half of the Earnest Money. The Fee will be paid by Seller to the Brokers in the county in which the Property is located. Seller shall pay any applicable sales taxes on the Fee. The Fee will be paid at the Closing of a sale of the Property by Seller pursuant to this Contract (as may be amended or assigned), or in the event of default under this Contract by Seller or Purchaser, within ten (10) days after the scheduled Closing Date. The Title Company or other escrow agent is authorized and directed to pay the Fee to the Brokers out of the Closing proceeds or, if applicable, out of the Earnest Money or any other escrow deposit made pursuant to this Contract.

B. Consent Required. Purchaser, Seller and Title Company agree that the Brokers are third party beneficiaries of this Contract with respect to the Fee, and that no change may be made by Purchaser, Seller or Title Company as to the time of payment, amount of payment or the conditions for payment of the Fee without the written consent of the Brokers.

C. Right to Claim a Lien. Pursuant to Chapter 62 of the Texas Property Code, the Brokers hereby disclose their right to claim a lien based on the commission agreement set forth in this Section 15 and any other commission agreements referenced in this Contract or applicable to the transaction contemplated by this Contract. This disclosure is hereby incorporated in any such commission agreements.

16. MISCELLANEOUS PROVISIONS.

A. Effective Date. The "Effective Date" is the date the Title Company acknowledges receipt of this fully executed Contract.

B. Notices. All notices and other communications required or permitted under this Contract must be in writing and will be deemed delivered, whether actually received or not, on the earlier of: (1) actual receipt, if delivered in person or by messenger with evidence of delivery; ~~(2) receipt of an electronic facsimile ("Fax") transmission with confirmation of delivery to the Fax telephone numbers specified below, if any; or~~ (3) upon deposit with the United States Postal Service, certified mail, return receipt requested, postage prepaid, and properly addressed to the intended recipient at the address set forth below. Any party may change its address for notice purposes by delivering written notice of its new address to all other parties in the manner set forth above. Copies of all written notices should also be delivered to the Brokers and to the Title Company, but failure to notify the Brokers or the Title Company will not cause an otherwise properly delivered notice to be ineffective.

C. Termination. If this Contract is terminated for any reason, the obligations of each party under this Contract will terminate, except that: (1) Purchaser shall pay the costs to repair any damage to the Property caused by Purchaser or Purchaser's agents; (2) Purchaser shall return to Seller any reports or documents delivered to Purchaser by Seller; and (3) each party shall perform any other obligations that expressly survive the termination of this Contract. The obligations of this Section 16C will survive the termination of this Contract. The terms of any mutual termination agreement will supersede and control over the provisions of this Section 16C to the extent of any conflict.

D. Forms. In case of a dispute as to the form of any document required under this Contract, the most recent form prepared by the State Bar of Texas, modified as necessary to conform to the requirements of this Contract, will be deemed reasonable.

E. Attorneys Fees. The prevailing party in any legal proceeding brought in relation to this Contract or transaction will be entitled to recover from the non-prevailing parties court costs, reasonable attorneys fees and all other reasonable litigation expenses.

F. Integration. This Contract contains the complete agreement between the parties with respect to the Property and cannot be varied except by written agreement. The parties agree that there are no oral agreements, understandings, representations or warranties made by the parties which are not expressly set forth in this Contract. Any prior written agreements, understandings, representations or warranties between the parties will be deemed merged into and superceded by this Contract, unless it is clear from the written document that the intent of the parties is for the previous written agreement, understanding, representation or warranty to survive the execution of this Contract.

G. Survival. Any warranty, representation, covenant or condition contained in this Contract not otherwise discharged at the Closing will survive the Closing of this transaction.

H. Binding Effect. This Contract will inure to the benefit of, and will be binding upon, the parties to this Contract and their respective heirs, legal representatives, successors and assigns.

I. Time For Performance. Time is of the essence under each provision of this Contract. Strict compliance with the times for performance is required.

J. Right of Entry. After reasonable advance notice and during normal business hours, Purchaser, Purchaser's representatives and the Brokers have the right to enter upon the Property before the Closing for purposes of viewing, inspecting and conducting studies of the Property, so long as they do not unreasonably interfere with the use of the Property by Seller or any tenants, or cause damage to the Property.

K. Business Day. If any date of performance under this Contract falls on a Saturday, Sunday or Texas legal holiday, such date of performance will be deferred to the next day that is not a Saturday, Sunday or Texas legal holiday.

L. Governing Law. This Contract will be construed under and governed by the laws of the State of Texas, and unless otherwise provided in this Contract, all obligations of the parties created under this Contract are to be performed in the county where the Property is located.

M. Severability. If any provision of this Contract is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the invalid, illegal, or unenforceable provision will not affect any other provisions, and this Contract will be construed as if the invalid, illegal, or unenforceable provision is severed and deleted from this Contract.

N. Broker Disclaimer. The Brokers will disclose to Purchaser any material factual knowledge the Brokers may possess about the condition of the Property. Purchaser understands that a real estate broker is not an expert in matters of law, tax, financing, surveying, hazardous materials, engineering, construction, safety, zoning, land planning, architecture, or the Americans with Disabilities Act. Purchaser acknowledges that Purchaser has been advised by the Brokers to seek expert assistance on such matters. The Brokers do not investigate a property's compliance with building codes, governmental ordinances, statutes and laws that relate to the use or condition of the Property or its construction, or that relate to its acquisition. Purchaser is not relying upon any representations of the Brokers concerning permitted uses of the Property or with respect to any nonconformance of the Property. If the Brokers provide names of consultants or sources for advice or assistance, the Brokers do not warrant the services of the advisors or their products and cannot warrant the suitability of property to be acquired. Purchaser acknowledges that current and future federal, state and local laws and regulations may require any Hazardous Materials to be removed at the expense of those persons who may have had or continue to have any interest in the Property. The expense of such removal may be substantial. Purchaser agrees to look solely to experts and professionals selected or approved by Purchaser to advise Purchaser with respect to the condition of the Property and will not hold the Brokers responsible for any Hazardous Materials condition relating to the Property. The Brokers do not warrant that Seller will disclose any or all property defects or other matters pertaining to the Property or its condition. Seller and Purchaser agree to hold the Brokers harmless from any damages, claims, costs and expenses resulting from or related to any party furnishing to the Brokers or Purchaser any false, incorrect or inaccurate information with respect to the Property or Seller's concealing any material information with respect to the condition of the Property. To the extent permitted by applicable law, the Brokers' liability for errors or omissions, negligence, or otherwise, is limited to the return of the Fee, if any, paid to the responsible Broker pursuant to this Contract. In addition, Seller and Purchaser agree to defend and hold the Brokers participating in this transaction harmless from and against any and all liabilities, claims, debts, damages, costs, and expenses including, but not limited to, reasonable attorneys fees and court costs, related to or arising out of or in any way connected to representations about the Property or matters that should be analyzed by experts.

O. Counterparts. This Contract may be executed in a number of identical counterparts. Each counterpart is deemed an original and all counterparts will, collectively, constitute one agreement.

P. Gender; Number. Unless the context requires otherwise, all pronouns used in this Contract will be construed to include the other genders, whether used in the masculine, feminine or neuter gender. Words in the singular number will be construed to include the plural, and words in the plural will be construed to include the singular.

Q. Mediation. If any dispute (the "Dispute") arises between any of the parties to this Contract including, but not limited to, payment of the Fee, then any party (including any Broker) may give written notice to the other parties requiring all involved parties to attempt to resolve the Dispute by mediation. Except in those circumstances where a party reasonably believes that an applicable statute of limitations period is about to expire, or a party requires injunctive or equitable relief, the parties are obligated

to use this mediation procedure before initiating arbitration or any other action. Within seven (7) days after receipt of the mediation notice, each party must deliver a written designation to all other parties stating the names of one or more individuals with authority to resolve the Dispute on such party's behalf. Within fourteen (14) days after receipt of the mediation notice, the parties shall make a good faith effort to select a qualified mediator to mediate the Dispute. If the parties are unable to timely agree upon a mutually acceptable mediator, any party may request JAMS/Endispute or any state or federal district judge to appoint a mediator. In consultation with the mediator, the parties shall promptly designate a mutually convenient time and place for the mediation, that is no later than thirty (30) days after the date the mediator is selected. In the mediation, each party must be represented by persons with authority and discretion to negotiate a resolution of the Dispute, and may be represented by counsel. The mediation will be governed by applicable provisions of Chapter 154 of the Texas Civil Practice and Remedies Code, and such other rules as the mediator may prescribe. The fees and expenses of the mediator will be shared equally by all parties included in the Dispute.

R. Arbitration. If the parties are unable to resolve any Dispute by mediation, then the parties shall submit the Dispute to binding arbitration before a single arbitrator. The Dispute will be decided by arbitration in accordance with the applicable arbitration statute and any rules selected by the arbitrator. After an unsuccessful mediation, any party may initiate the arbitration procedure by delivering a written notice of demand for arbitration to the other parties. Within fourteen (14) days after the receipt of the written notice of demand for arbitration, the parties shall make a good faith effort to select a qualified arbitrator acceptable to all parties. If the parties are unable to agree upon the selection of an arbitrator, then any party may apply to JAMS/Endispute, the American Arbitration Association, or a court of competent jurisdiction to appoint an arbitrator. This agreement to arbitrate will be specifically enforceable under the prevailing arbitration law.

S. Consult an Attorney. This document is an enforceable, legally binding agreement. Read it carefully. The Brokers involved in the negotiation of the transaction described in this Contract cannot give legal advice. The parties to this Contract acknowledge that they have been advised by the Brokers to have this Contract reviewed by legal counsel before signing this Contract.

Purchaser's attorney is: N/A Scott Hood

Seller's attorney is: N/A

17. ADDITIONAL PROVISIONS. *[Additional provisions may be set forth below or on any attached Addendum].*

N/A

18. EXHIBITS AND ADDENDA. All Exhibits and Addenda attached to this Contract are incorporated herein by reference and made a part of this Contract for all purposes *[check all that apply]:*

- Exhibit "A" Survey and/or Legal Description
- Exhibit "B" Site Plan
- Exhibit "C" N/A

- Addendum A Improved Property
- Addendum B-1 Third Party Financing
- Addendum B-2 Seller Financing
- Addendum C Inspection
- Addendum D Disclosure Notice
- Addendum E Lead Based Paint
- Addendum F Additional Provisions

19. **CONTRACT AS OFFER.** The execution of this Contract by the first party do so constitutes an offer to purchase or sell the Property. Unless, within N/A (N/A) days after the date of execution of this Contract by the first party, this Contract is accepted by the other party by signing the offer and delivering a fully executed copy to the first party, the offer of this Contract will be deemed automatically withdrawn, and the Earnest Money, if any, will be promptly returned to Purchaser.

EXECUTED to be effective as of the Effective Date.

SELLER

N/A

By: (Signature) _____
Name: _____
Title: N/A

By: (Signature) _____
Name: _____
Title: N/A

Address: N/A
N/A
Telephone: N/A Fax: N/A
Tax I.D. No: N/A
Date of Execution: N/A

PRINCIPAL BROKER

N/A

By: (Signature) _____
Name: N/A
Title: N/A
Address: N/A
N/A
Telephone: N/A Fax: N/A
TREC License No.: N/A

PURCHASER

N/A

By: (Signature) _____
Name: _____
Title: N/A

By: (Signature) _____
Name: _____
Title: N/A

Address: N/A
N/A
Telephone: N/A Fax: N/A
Tax I.D. No: N/A
Date of Execution: N/A

COOPERATING BROKER

The Weitzman Group

By: (Signature) _____
Name: Amanda Hensley
Title: N/A
Address: 3102 Maple Ave, Ste 350
Dallas, Texas 75201
Telephone: 214-954-0600 Fax: 214-953-0860
TREC License No.: N/A

TITLE COMPANY RECEIPT: The Title Company acknowledges receipt of this Contract on N/A N/A (the Effective Date) and, upon receipt of the Earnest Money, accepts the Earnest Money subject to the terms and conditions set forth in this Contract.

TITLE COMPANY

N/A

By: (Signature) _____
Name: N/A
Title: N/A

Address: N/A
N/A
Telephone: N/A Fax: N/A

PERMISSION TO USE: This form is provided for the use of members of the North Texas Commercial Association of Realtors®, Inc. Permission is granted to make limited copies of the current version of this form for use in a particular Texas real estate transaction. Please contact the NTCAR office to confirm you are using the current version of this form. Mass production, or reproduction for resale, is not allowed without express permission.

BINDING LETTER OF INTENT

For and in consideration of Ten Thousand and 00/100 Dollars (\$10,000.00), DONALDSON PROPERTIES, LTD., hereinafter referred to as Seller, hereby grants to Kiest General, LLC and/or its ASSIGNS, hereinafter referred to as Purchaser, an exclusive right and option to purchase the following described property (herein "Property") on the terms and conditions provided below:

Approximately 23.00 acres of Land, more or less, including all improvements located at 3050 Lancaster Road, Blocks 6075 and 6076, of the City of Dallas, County of Dallas, State of Texas, together with all fixtures, rights, and appurtenances pertaining thereto, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way.

Feasibility Period

1. This Letter of Intent, which is irrevocable during the time period beginning with the execution of this document by Seller and ending on the Expiration Date, will expire at 12:00 a.m., June 30, 2005 (herein "Expiration Date"), unless exercised or otherwise extended as provided herein.

2. Purchaser may extend the Feasibility Period beyond the Expiration Date in successive thirty (30) day periods by tendering to Seller, at Seller's Address set forth below, on or before the Expiration Date or Extended Expiration Date, the sum of \$10,000.00 for each successive thirty (30) day period. In the event the Purchaser tenders such additional sum(s) to Seller, then the Expiration Date shall be extended to 12:00 a.m., of the Thirty-first (31st) day following the preceding Expiration Date as extended (herein "Extended Expiration Date"). Payment may be in the form of personal check, cashier's check, money order, or electronic wire transfer to the account of Seller, if Seller so directs. Regardless of the foregoing, the Extended Expiration Date shall not be extended beyond March 1, 2006.

Purchase Price

3. The purchase price for the Property is FIVE MILLION FIVE HUNDRED THOUSAND AND 00/100 DOLLARS (\$5,500,000.00) in cash. The consideration paid herein shall be applied against the Purchase Price in the event this Letter of Intent is exercised.

Forfeiture of Consideration

4. If Purchaser fails to exercise this Letter of Intent on or before the Expiration Date or Extended Expiration Date, the consideration paid herein shall be retained by Seller.

Notice of Purchaser's Exercise

5. Purchaser's election to exercise this Letter of Intent shall be by execution of the attached Real Estate Sales Contract and thereafter delivery of such contract to Seller at The Law Office of Jason W. Chosick, 2318 N.W. Military Hwy., #204, San Antonio, Texas 78231 (herein "Seller's Address"), on or before the Expiration Date or Extended Expiration Date, whichever is later. "Delivery" shall be presumed to have occurred either upon the date of actual receipt of the executed Real Estate Sales Contract by Seller or Jason Chosick, or his agents, employees, or representatives, at the Seller's Address, or upon the date the executed Real Estate Sales Contract is deposited with proper postage, certified mail, return receipt requested, properly addressed to Seller in the care of Jason W. Chosick at the Seller's Address, in the care, custody, and control of the United States Postal Service. In the event of delivery by certified mail, Purchaser shall obtain an official certificate or receipt from the United States Postal Service showing the date of deposit and evidencing compliance with the terms. Upon delivery of said executed sales contract, Seller shall forthwith execute the same and deliver the original to the title company set forth therein within five (5) days and deliver an executed copy to Purchaser within three (3) days thereafter.



Binding Effect

6. This Letter of Intent shall be binding on Seller, its heirs, successors, and assigns, and shall inure to the benefit of Purchaser and its heirs, successors, and assigns. Purchaser may assign or otherwise transfer, sell, or convey this Letter of Intent or any right contained herein without the express written permission from Seller in Purchaser's sole and complete discretion.

Executed this ____ day of February, 2005.

Seller:

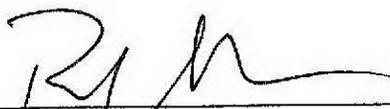
DONALDSON PROPERTIES, LTD.

By: _____, as _____ of
_____, its General Partner

Executed this 24 day of February, 2005.

Purchaser:

KIEST GENERAL, LLC, and/or ASSIGNS


By: Ron Slovacek, its Manager

REAL ESTATE SALES CONTRACT

THIS AGREEMENT is entered into by and between **DONALDSON PROPERTIES, LTD.**, (hereafter referred to as the "Seller"), and **KIEST GENERAL, LLC, and/or its ASSIGNS** (hereinafter referred to as the "Purchaser").

ARTICLE 1

Sale and Purchase

Section 1.1 Subject to the terms and provisions hereof, the Seller agrees to sell to the Purchaser, and the Purchaser agrees to purchase from the Seller certain real property in Dallas County, Texas, herein described as being all that certain lot, tract, or parcel of land containing approximately 23.00 acres of Land, more or less, including all improvements located at 3050 Lancaster Road, Blocks 6075 and 6076, of the City of Dallas, County of Dallas, State of Texas, together with all fixtures, rights, and appurtenances pertaining thereto, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way (hereinafter referred to as "Real Property"). Upon delivery of a Survey (hereinafter defined) to Purchaser, the legal description of the Real Property shown thereon shall be substituted for the legal description above, and shall describe the Real Property by metes and bounds. The Purchase Price shall not be reduced or increased by acreage, or any fraction thereof, lost or gained from the results of a new survey.

ARTICLE 2

Consideration for Conveyance

Section 2.1 The Purchase Price (herein so called) for the Real Property shall be FIVE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$5,500,000.00).

Section 2.2 The Purchase Price, shall be payable by Purchaser to Seller at Closing (herein so called), in Cash (certified check, bank cashier's check, or wire transfer of immediately available funds, at Purchaser's election).

ARTICLE 3

Survey, Title Policy, and Closing Costs

Section 3.1 On or before the expiration of FIFTEEN (15) days following the Effective Date of this Contract, as defined herein, the Seller shall have prepared, at the Seller's sole cost and expense, a Land Title Survey (the "Survey") of the Real Property by a certified, registered or licensed professional land surveyor, and shall deliver a true, complete, and certified copy of such to the Purchaser. A copy of such Survey shall also be furnished to the Title Company. Up to

\$2,000.00 of the cost of such survey shall be born by the Seller. Additional survey costs, not to exceed \$2,000.00 shall be born by the Purchaser. Any additional survey costs shall be borne by the Seller.

Section 3.2 Within FIFTEEN (15) days following the Effective Date of this Contract, the Seller at Seller's expense shall furnish the Purchaser with a current commitment (hereinafter called the "Title Commitment") for the issuance of an Owner's Policy of Title Insurance from Hexter-Fair Title Company of Denton, Texas (herein called the "Title Company"), together with legible copies of all documents constituting exceptions to Seller's title as reflected in the Title Commitment. Said policy, if required, shall insure the Purchaser against defects in title to the Real Property, subject only to the promulgated exclusions and the following exceptions:

- 1) The standard printed exception as to taxes for the current and subsequent years and subsequent assessments for prior years due to changes in land usage or ownership.
- 2) Liens created or assumed as part of any financing obtained by Purchaser.
- 3) The standard printed exception as to shortages in area.
- 4) The standard printed exception as to marital rights.
- 5) The standard printed exception as to waters, tidelands, beaches, streams and related matters.

Purchaser shall have a period of SEVEN (7) days following the receipt of a commitment for title insurance, with the exception documents, the leases set forth in Section 7.17(6), and the survey to review such items and to deliver to Seller or Seller's Agent in writing such objections as Purchaser may have to anything contained or set forth in the title commitment, exception documents, or survey. Any items to which Purchaser does not object within the SEVEN (7) day period shall be deemed to be "Permitted Exceptions" (herein so called). In the event Purchaser timely objects to either the title commitment, exception documents, the leases set forth in Section 7.17(6), and/or the survey as hereinabove provided, Seller shall have the right, but not the obligation, for a period of THIRTY (30) days from receipt of Purchaser's objections within which to attempt to cure such objections specified as aforesaid by Purchaser. In the event that Seller fails or refuses to cure any such objections within such THIRTY (30) days period, then, Purchaser may, at its option and sole discretion, by a written notice to Seller or Seller's Agent within FIFTEEN (15) days following the expiration of the THIRTY (30) day period either (a) terminate this Agreement and the parties hereto shall have no further obligation one to the other hereunder except for the indemnity obligation of Purchaser as specified in Section 5.3 below, or (b) Purchaser may waive any such defects as aforesaid and the transaction contemplated hereby shall be consummated as provided herein with such uncured objections being deemed additional Permitted Exceptions.

Section 3.3 Purchaser agrees to pay for the following closing costs:

- a. All cost associated with obtaining financing of the Purchase price, if any.



- b. Cost of inspectors, engineers, or other persons used to determine the condition of the Real Property.
- c. One-half of the cost of the escrow fee charged by the Title Company.
- d. Cost of Mortgagee's Policy of Title Insurance, if any.
- e. All costs to obtain, deliver, and record all documents other than those to be recorded below at Seller's expense.
- f. All other expenses directly incurred by Purchaser, including their own attorney's fees if any.

Seller agrees to pay for the following closing costs:

- a. Cost of Owner's Policy of Title Insurance, including the additional premium for the survey/area and boundary deletion.
- b. One-half the cost of the escrow fee charged by the Title Company.
- c. Cost to prepare the General Warranty Deed.
- d. All costs to obtain, deliver, and record releases of all liens to be released at closing.
- e. All costs to obtain, deliver, and record all documents to cure title objections as set forth above.
- f. All costs to obtain and deliver reports or certificates of ad valorem taxes.
- g. All other expenses incurred by Seller, including their own attorney's fees if any.
- h. Any commissions payable hereunder.
- i. All cost of repairs agreed to be paid by the Seller hereunder.

ARTICLE 4

Closing

Section 4.1 The Closing hereunder shall take place at the offices of the Title Company within THIRTY (30) days of the date that the Seller actually cures each objection made by Purchaser as set forth in Section 3.2 above, or such date as is mutually agreed to, or as otherwise extended according to the terms contained herein.

Section 4.2 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 general warranty deed duly executed and acknowledged by Seller, and in legal form for recording, conveying good, indefeasible fee simple title in the Real Property to Purchaser, subject only to the Permitted Exceptions;
- (b) Such evidence or documents as may be reasonably required by the Purchaser and 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 Real Property; and



- (c) A certification in a form to be provided or approved by the Purchaser, signed by the Seller under penalties of perjury, containing the following:
- (i) The Seller's social security number;
 - (ii) The home address of the Seller (or the business address of the Seller if the Seller is not an individual); and
 - (iii) A statement that the Seller is not a foreign person within the meaning of Sections 1445 and 7701 of the IRC (i.e., the Seller is not a nonresident alien, foreign corporation, foreign partnership, foreign trust, or foreign estate [as those terms are defined in the IRC and Income Tax Regulations]).

In the event that the Seller fails to deliver such Certification at Closing or the Seller delivers such Certification but the Purchaser has actual knowledge that such Certification is false or the Purchaser receives notice that the Certification is false from any agent of the Purchaser or the Seller, the Purchaser shall be entitled to withhold from the Purchase Price a sum equal to ten percent (10%) of the total amount which otherwise would have been realized by the Seller from such sale, which sum will be paid by the Purchaser to the United States Treasury pursuant to the requirements of Section 1445 of the IRC and the regulations promulgated thereunder.

Section 4.3 At the Closing, Purchaser shall deliver to Seller the following items:

- (a) The Purchase Price, in the amount and manner specified in Article 2 of this contract less the consideration paid by Purchaser to Seller pursuant to the Binding Letter of Intent, which is expressly incorporated herein for all purposes; and
- (b) Such evidence or documents as may reasonably be required by 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 Real Property.

Section 4.4 At Closing, the following items shall be adjusted or prorated between Seller and Purchaser:

- (a) Ad valorem taxes for the Real Property for the current calendar year shall be prorated to the date of Closing. Seller's pro rata portion of such taxes shall be based upon taxes actually assessed for the current calendar year. If, for any reason, ad valorem taxes for the current calendar year have not been assessed on the Real Property, such proration shall be estimated based upon ad valorem taxes for the immediately preceding calendar year, and adjusted when exact amounts are available. All taxes imposed because of a change in use or ownership of the Real Property at or after Closing shall be for the account of Purchaser, including any rollback taxes assessed for prior years tax periods.

(b) Income and expenses pertaining to operation of the Real Property will be prorated as of the Closing Date on an accrual basis and paid at closing as a credit or debit adjustment to the Purchase Price. Invoices that are received after closing for operating expenses incurred on or before the Closing Date and not adjusted at closing will be prorated between the parties as of the Closing Date, and Seller will pay its share within TEN (10) days of notice of Buyer's invoice.

(c) In the event any adjustments pursuant to this Section 4.4 are, subsequent to Closing, 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 amount shall be paid within TEN (10) days from receipt of the invoice.

(d) This Section 4.4 shall survive the closing of this Agreement.

Section 4.5 Possession of the Real Property shall be delivered to Purchaser by Seller on or before the Date of Closing. Seller shall deliver the Real Property to the Purchaser in the same or better physical condition than it existed on the Effective Date of this Contract.

ARTICLE 5

Real Estate Commission

Section 5.1 Seller and Purchaser represent and warrant to each other that they have not dealt with any real estate agents, brokers, or other parties entitled to a commission on the sale of the Real Property in connection with this Contract other than Kyle Robertson of The Weitzman Group, who solely represents the Purchaser, and that they have not incurred, nor will they incur, a liability for any real estate commission, broker's fees, or finder's fees in connection herewith except for those attributable to Kyle Robertson and The Weitzman Group. Seller hereby agrees to pay Kyle Robertson and The Weitzman Group a single commission at Closing equal to Six Percent (6.00%) of the Purchase Price up to One Million Dollars (\$1,000,000.00) or Sixty Thousand Dollars (\$60,000.00), whichever is less, plus Three Percent (3.00%) of the Purchase Price in excess of One Million Dollars (\$1,000,000.00) or One Hundred Thirty-five Thousand Dollars (\$135,000.00), whichever is less. Purchaser is not responsible for the payment of commissions or brokerage fees arising from the sale of the Real Property hereunder.

Section 5.2 Purchaser acknowledges that, at the time of execution of this Contract, Seller or Seller's Agent advised Purchaser by this writing that Purchaser should have the abstract covering the Real Property examined by an attorney of Purchaser's own selection or that Purchaser should be furnished with or obtain a policy of title insurance.

Section 5.3 Purchaser and Seller agree to indemnify and hold each other harmless from and against any and all claims, losses, damages, costs, or expenses of any kind or character arising out of or resulting from any agreement, arrangement, or understanding (except as set forth above in Section 5.1) alleged to have been made by Purchaser or Seller or on their behalf with any broker

or finder in connection with this Contract or the transaction contemplated hereby. This Article 5 shall survive the closing or earlier termination of this Contract.

ARTICLE 6

Remedies of Default

Section 6.1 In the event that performance of this Contract is tendered by the Seller and the sale is not consummated through default on the part of the Purchaser on the Closing Date or any extension thereof, then the Seller shall retain the Consideration paid by Purchaser pursuant to the Binding Letter of Intent as liquidated damages for the Purchaser's default, as the Seller's sole and exclusive remedy. Such amount is agreed upon by and between the Seller and the Purchaser as liquidated damages, due to the difficulty and inconvenience of ascertaining and measuring actual damages, and the uncertainty thereof; and no other damages, rights or remedies shall in any case be collectible, enforceable or available to the Seller other than in this Article 6 defined, but the Seller shall accept said cash payment as the Seller's total damages and relief.

Section 6.2 In the event performance of this Contract is tendered by the Purchaser and the sale is not consummated on or before the Closing Date, or any extension thereof, through a default on the part of the Seller, then at the option of Purchaser, the Consideration paid by Purchaser pursuant to the Binding Letter of Intent will be returned to Purchaser by the Seller within ten (10) days of Seller's receipt of written notification from Purchaser of such choice, or the Purchaser may enforce specific performance hereunder, or the Purchaser may seek such other and further relief as may be provided at law or in equity.

ARTICLE 7

Miscellaneous

Section 7.1 All notices, demands, or other communications of any type (herein collectively referred to as "Notices") given by the Seller to the Purchaser or by the Purchaser to the Seller, whether required by this Contract or in any way related to the transaction contracted for herein, shall be void and of no effect unless given in accordance with the provisions of this Article 7. All notices shall be in writing and delivered to the person to whom the notice is directed, either in person or by United States Mail, as a registered or certified item, return receipt requested. Notices delivered by overnight delivery service or facsimile transmission shall be effective when delivered. Notices delivered by mail shall be effective when deposited in a post office or other depository under the care or custody of the United States Postal Service, enclosed in a wrapper with proper postage affixed, addressed, if to the Seller, as follows:

Donaldson Properties, Ltd.
C/o Jason W. Chosick
2318 N.W. Military Hwy., #204
San Antonio, Texas 78231

and addressed, if to the Purchaser, as follows:

Kiest General, LLC
C/c Ron Slovacek
1409 South Lamar, Suite 703
Dallas, Texas 75215

with copy to: R. Scott Alagood
Alagood & Cartwright, P.C.
2921 Country Club Road, Suite 104
Denton, Texas 76210
Fax No. (940) 891-0004
e-mail: alagood@dentonlaw.com

Either party hereto may change the address for notice specified above by giving the other party TEN (10) days advance written notice of such change of address.

Section 7.2 For purposes of determining the time for performance of various obligations under this Contract, the "Effective Date of this Contract" shall be the date the Title Company acknowledges the receipt of a fully executed copy of this Contract. The date set forth by the Title Company of such receipt as shown herein shall be Prima Facie evidence of the "Effective Date of this Contract."

Section 7.3 This Contract may be assigned by the Purchaser. This Contract shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, and permitted assigns.

Section 7.4 The obligations of the parties hereto shall be performable in Dallas County, Texas. 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, the masculine gender shall include the neuter and the feminine, and vice versa. The terms "heirs, executors, administrators, and assigns" shall include "successors, legal representatives, and assigns".

Section 7.5 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.

Section 7.6 Each party executing this Contract warrants and represents that it is fully authorized to do so, and is doing so in the capacities stated herein.

Section 7.7 In the event it becomes necessary for either party hereto to file a suit to enforce this Contract or regarding any provisions contained herein, the party prevailing in such action shall be entitled to recover, in addition to all other remedies or damages, reasonable attorneys' fees incurred in such suit. This Section 7.7 shall survive the closing or earlier termination of this Contract.

Section 7.8 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.

Section 7.9 This Contract, including the Exhibits hereto and the items to be furnished in accordance herewith, constitutes the entire agreement among the parties and signatories thereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No representation, warranty, covenant, agreement, or condition not expressed in this Contract shall be binding upon the parties hereto or shall affect or be effective to interpret, change, or restrict the provisions of this Contract, unless made in writing and signed by the Seller and Purchaser.

Section 7.10 Numerous copies of this Contract may be executed by the parties hereto. Each such executed copy shall have the full force and effect of an original executed instrument, or in equity in the enforcement of this agreement.

Section 7.11 The obligations of this contract that cannot be performed before termination of this contract or before closing will survive termination of this contract or closing, and the legal doctrine of merger will not apply to these matters. If there is any conflict between the Closing Documents and this contract, this contract will control.

Section 7.12 This contract shall not be considered valid and/or enforceable unless signed by the Seller, Purchaser and a representative of the Title Company.

Section 7.13 NOTICE OF POTENTIAL ANNEXATION; If the property that is the subject of this contract is located outside the limits of a municipality, the property may now or later be included in the extraterritorial jurisdiction 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 extraterritorial jurisdiction. To determine if the property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity for further information.

Section 7.14 NOTICE REGARDING POSSIBLE LIABILITY FOR ADDITIONAL TAXES: If for the current ad valorem tax year the taxable value of the land that is the subject of this contract is determined by a special appraisal method that allows for appraisal of the land at less than its market value, the person to whom the land is transferred may not be allowed to qualify the land for that special appraisal in a subsequent tax year and the land may then be appraised at its full market value.

In addition, the transfer of the land or a subsequent change in the use of the land may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the land. The taxable value of the land and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the land is located.

Section 7.15 NOTICE OF LOCATION OF PIPELINE; Upon the Seller's belief and knowledge as of the date this Contract is being executed, the Seller hereby notifies the Buyer of the following: The location of any transportation pipeline, including a pipeline for the transportation of natural gas, natural gas liquids, synthetic gas, liquefied petroleum gas, petroleum or a petroleum product, or a hazardous substance, on the property is as follows: _____

Section 7.16 The rule of construction that ambiguities in a document will be construed against the party who drafted it will not be applied in interpreting this contract. This Contract was equally negotiated by both parties hereto.

Section 7.17 Seller represents to Buyer that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

1. There is no litigation pending or threatened against Seller that might affect the Property or Seller's ability to perform its obligations under this contract.
2. Seller has not received notice of violation of any law, ordinance, regulation, or requirements affecting the Property or Seller's use of the Property.
3. Seller has not received notice of any condemnation, zoning, or land-use proceedings affecting the Property or any inquiries or notices by any governmental authority or third party with respect to the presence of hazardous materials on the Property or the migration of hazardous materials from the Property.
4. Except for granting a security interest in the Property, Seller has not obligated itself to sell the Property to any party other than Purchaser. Seller's performance of this contract will not cause a breach of any other agreement or obligation to which Seller is a party or to which it is bound.
5. On the Closing Date, the Property will be free and clear of all mechanic's and materialman's liens and other liens and encumbrances of any nature except the Permitted Exceptions, and no work or materials will have been furnished to the Property that might give rise to mechanic's, materialman's, or other liens against the Property other than work or materials to which Purchaser has given its consent.



EXECUTED on this the _____ day of _____, 2005.

SELLER:

DONALDSON PROPERTIES, LTD.

By: _____
_____, as _____
of _____, its General Partner

EXECUTED on this the _____ day of _____, 2005.

PURCHASER:

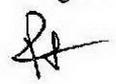
KIEST GENERAL, LLC

By: _____
Ron Slovacek, its Manager

The Contract, fully executed by both Seller and Purchaser has been received by the Title Company this the _____ day of _____, 2005 (herein "the Effective Date of this Contract").

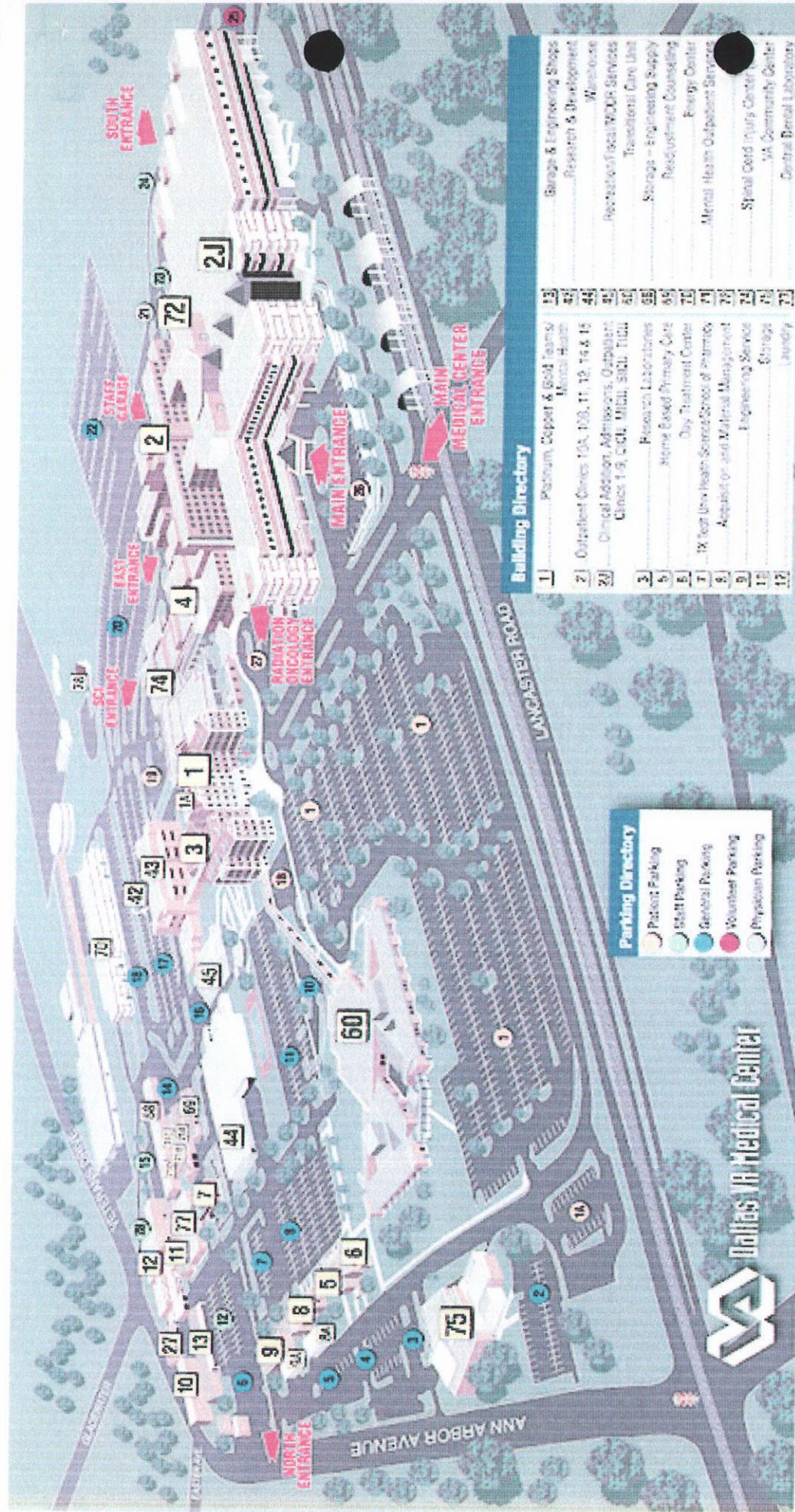
TITLE COMPANY: HEXTER-FAIR TITLE COMPANY of Denton, Texas.

By: _____
Name: _____
Its: _____





THE WEITZMAN GROUP
 3102 Maple Ave, Suite 350
 Dallas, Texas 75201
 214/954-0600
www.WeitzmanGroup.com
 Aerial Photography
 May 2004
R:\MAP\FOD\FW\Robertson\Kiest & Lancaster 3C Aerial Aerial



Dallas VA Medical Center

Patient Care Areas

- Building 1 • Mental Health Building**
 Domiciliary
 Medical Media
 Mental Health Administration
 Mental Health Inpatient Units
 Platinum, Copper & Gold Rooms
 Psychological Services
 Social Work Service

- Building 2 • Main Hospital**
 Hospitalized Patient Units
 (Floors 4, 5, 6, 7 & 8)
 3C-Neuro Arteries Studies Unit
 4C-Medical Surgical Unit
 (100 & 200 Wings)
 4C-Day Surgery Unit
 (200 & 300 Wings)
 5C-Respiratory Therapy
 5C-Orthopedic Surgical Nursing Unit
 6C-Medical Surgical Nursing Unit
 (100 & 200 Wing)
 8C-Clinical Research Unit

- Building 2J • Clinical Addition**
 Admissions
 Cardiology
 GI, GI, HDU, SICU, TCU
 Emergency
 Laboratory
 Outpatient Clinics 1-3
 Pharmacy
 Radiology
 Social Work
 Surgery
 Telemetry
 Nuclear Medicine

- Building 5 • Home-Based Primary Care**
Building 6
 Day Treatment Center
 Mental Health Outpatient Services
Building 7 • Texas Tech University
 Health Science Ctr. School of Pharmacy
Building 60 • Transitional Care Unit
 TCU Wings A & B

- Building 69 • Regional Readjustment Counseling Service**
Building 71 • Mental Health Outpatient Services
Building 74 • Spinal Cord Injury Center (SCI)
Building 75 • VA Community Center
 Child Care Center
 Education Center
 Wellness Center
Building 77 • Central Dental Laboratory

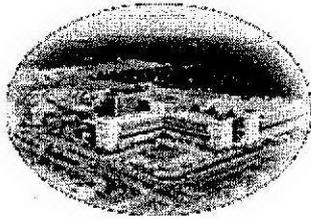


Building Directory

| | | | |
|----|---|----|-----------------------------------|
| 1 | Patnam, Depot & Gold Rooms Mental Home | 13 | Garage & Engineering Shops |
| 2 | Outpatient Clinics 10A, 10B, 11, 12, 14 & 15 | 43 | Research & Development |
| 2J | Clinical Admissions, Admissions, Outpatient Clinics 1-9, GIU, HDU, SICU, TCU | 44 | Warehouse |
| 3 | Research Laboratories | 45 | Rehabilitation WOPR Services |
| 5 | Home Based Primary Care | 65 | Transitional Care Unit |
| 6 | Day Treatment Center | 66 | Storage - Engineering Supply |
| 7 | 12 Text Univ Health Science School of Pharmacy | 69 | Readjustment Counseling |
| 8 | Appointments and Material Management | 75 | Energy Center |
| 9 | Engineering Service | 77 | Mental Health Outpatient Services |
| 10 | Storage | 78 | Spinal Cord Injury Center |
| 12 | Laundry | 79 | VA Community Center |
| | | | Central Dental Laboratory |

Parking Directory

- Patient Parking
- M&M Parking
- General Parking
- Volunteer Parking
- Physician Parking



VA North Texas Health Care System

The Right Choice for Health Care

Dallas VA Medical Center

General Information

Patient Care and Services

Current Events and Activities

Partners

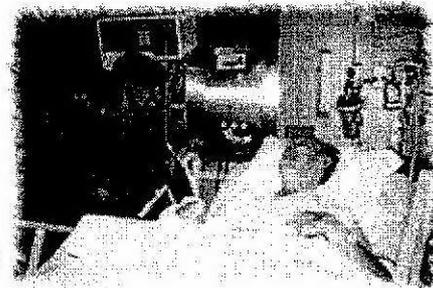
Education and Affiliations

Career and Volunteer Opportunities

Research and Development

Dallas VA Medical Center (VAMC), the referral center for VA North Texas Health Care System (VANTHCS), has cared for America's military veterans for over half a century. Through its long-standing partnership with The University of Texas Southwestern Medical Center at Dallas (UT Southwestern), it has become a major teaching and medical research center. Housed on an 84-acre campus, Dallas VAMC includes:

- 300-plus-bed acute care medical center
- Multi-specialty outpatient clinics
- 116-bed Transitional Care Unit
- 40-bed Domiciliary Care Unit
- 30-bed Spinal Cord Injury Center
- 59-bed Psychiatric Residential Rehabilitation Treatment Program



In FY 02, Dallas VAMC handled approximately 11,077 admissions and approximately 548,669 outpatient visits. A 600,000 square-foot Clinical Addition, part of a \$154 million expansion project, opened in November 1998, which dramatically expanded and enhanced health care for veterans. The facility is a major addition to the southern Dallas community.

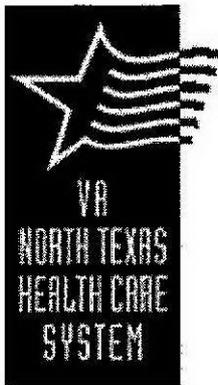
Dallas VAMC also houses an Energy Center which uses special energy-saving technology to provide heating and air conditioning to outlying buildings on campus.

Through a collaborative project between Dallas VAMC, City of Dallas and Dallas Area Rapid Transit, the VA Community Center was built in 1999. The VA Community Center provides:

- Meeting facilities for campus groups and veteran service councils
- A Wellness Center that promotes health and fitness
- A Child Care Center for on-site child care services

The One VA Mall was opened in 2000, offering one-stop shopping to customers, including the Veterans Canteen Service Retail Store, Blue Bell Ice Cream and Starbucks Coffee service, Cafe VA and the One VA kiosk. The One VA Service Center opened in 2002 and provides offices for Veterans Benefits Administration, National Cemetery Administration, Texas Veterans Commission and Disabled American Veterans.

Approximately 2,500 employees as well as 700 regularly scheduled volunteers make Dallas VAMC one of the largest and most complex in the VA system. Aside from transplants, innovative clinical services provide:





- adult day health care
- Agent Orange evaluation
- Persian Gulf evaluation
- women veteran services
- cardiac surgery
- geriatric care
- magnetic resonance imaging
- hemodialysis
- rehabilitation medicine
- care for post-traumatic stress disorder

Through its strategic partnership with UT Southwestern and Baylor College of Dentistry, Dallas VAMC trains more than 140 medical residents and six dental residents annually. VANTHCS has affiliation agreements with over 110 agencies and institutions, providing training to approximately 1,900 students in more than 150 different programs.

In 2002, Texas Tech University Health Sciences Center relocated its regional Dallas/Fort Worth Metroplex School of Pharmacy to Dallas VAMC. The first of its kind in the nation, this affiliation provides a state-of-the art classroom, group conference rooms and faculty offices for students in pursuit of a Pharm.D. degree. A postgraduate program offers specialized training for Pharmacy residents.

Staff physicians and service chiefs also serve as faculty members at UT Southwestern. This strong relationship is one of the main reasons Dallas VAMC ranks among the top Research and Development programs in VA. VANTHCS participates in VA-sponsored nationwide cooperative studies and receives grants from a variety of sources, including National Institutes of Health.

The Dallas VA Research Corporation was created in 1989 as a private non-profit foundation to support the research mission of VANTHCS.

The Research and Development program supports more than 200 active projects in such diverse fields as heart disease, hypertension, diabetes, AIDS and Alzheimer's Disease. Throughout VANTHCS history, investigators have received recognition for their research endeavors. One investigator has been named to the National Academy of Sciences, and four have received the prestigious Middleton Award, the VA's highest award for scientific research.

Regional and national referral programs

- VA Center for Health Services Research and Development Open Heart Surgery
- Cardiac Catheterization
- Electrophysiology Cardiac Testing
- Implantable Cardioverter Defibrillator Program
- National Clozapine Coordinating Center
- Electron Microscopy
- Comprehensive Cancer Center
- Colon Cancer/Colon Polyp Disease Program
- Therapeutic Biliary Endoscopy

- Preservation-Amputation Care and Treatment
- National Toxicology Screening Program
- Central Dental Lab

Helping the homeless

It is estimated that one-third of America's homeless are veterans. Through its Comprehensive Homeless Center, Dallas VAMC has been a leader in assisting mentally and physically ill homeless veterans rejoin the community as productive citizens.

Sharing agreements and revenue generation

Through Sharing Agreements with other public and private agencies, Dallas VAMC expands its services without introducing substantial capital spending. VANTHCS has nine Community Based Outpatient Clinics (CBOC) and Primary Care Network (PCN) contracts, including agreements with CRAssociations, Inc. and HealthNet Federal Services, utilizing 16 provider sites within its 40-county service area.

With stringent limits on federal spending, Dallas VAMC aggressively pursues opportunities to generate additional revenue to reinvest into patient care for veterans. Examples include providing a broad range of contract services to other agencies, such as the Federal Bureau of Prisons, private industry and other health care providers. Dallas VAMC also generates additional revenue through:

- Participation in TriCare, the managed care program sponsored by DOD
- Central Dental Laboratory (CDL)
- North Texas Dental Lab (NTDL)

Map and Driving Directions to Dallas VAMC

VANTHCS Home Page / Search / Contact Us / VA Home Page / Facilities Locator
Dallas VA Medical Center / Bonham VA Medical Center / Fort Worth OPC
Web Policies and Important Links / Privacy Policy / Frequently Asked Questions
VA Site Map

Kiest General, LLC

Mr. Stanley Spigel
Donaldson Properties, Ltd.

RE: Lancaster Kiest Shopping Center - Dallas, TX

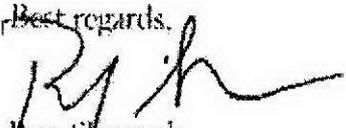
Mr. Spigel, we appreciate the attention that's been given in our interest to purchase the Lancaster Kiest Shopping Center. Please find our initial terms that we would like to discuss

TERMS OF PURCHASE

- Purchase Price: \$5,500,000 - Cash payable at closing
- Earnest Money: \$10,000 deposited to Chicago Title - San Antonio, TX
- Survey & Title: Purchaser to deliver as soon as possible with \$2,000 reimbursed by Seller at closing.
- Review of Title: Request a ^{day} 30 Review Period (by Binding Letter of Intent)
- Inspection Period: 120 Day inspection period (by Binding Letter of Intent)
- Closing Date: 30 days after initial inspection period ^{earliest of} Contract is signed by both parties or June 30, 2005
- Extension(s): 30 day extension at ~~\$5,000~~ ^{\$40,000} after closing date _{\$10,000}

Deliver w/in 15 days if not then extend inspect. period
Inspection ~~stands~~
AFTER Receipt of of survey, title company
Rest all

Correspondence
 All correspondence to tenants must be approved by Seller in writing. Purchaser shall further provide Seller with copies of all correspondence.
 We look forward to hearing from you soon in this matter. Should you have any questions, feel free to contact our broker Kyle Robertson at 214-720-3691 or myself at 469-231-2825

Best regards,

 Ron Slovacek
 Kiest General, LLC
 1409 South Lamar, Ste. 703
 Dallas, TX 75215

Property: 23 acre +/- land and improvements located at 3050 S. Lancaster Road, Dallas, Dallas Co, Texas
 SAVE AND EXCEPT a tract containing 25,000 sq. ft. +/- as designated in Exhibit A attached hereto, together with reciprocal ingress and egress easement thereto.

Kiest General, LLC
Mr. Ronald Slovacek - President

R.W.A. [Signature]

AGREED AND ACCEPTED this _____ day of, _____ 2001.

By: _____ x
Mr. Stanley Spigel

Kyle Robertson

From: Ian Pierce
Sent: Thursday, August 18, 2005 9:46 AM
To: Dallas Weitzman Brokers
Cc: Bob Young; Pat Cathey
Subject: Oak Cliff Center with Carnival

Oak Cliff retail center set**Carnival Food Stores signs deal to anchor project near Kiest Park**

09:48 PM CDT on Wednesday, August 17, 2005

By STEVE BROWN / The Dallas Morning News

For a company that's mostly done shopping centers in the northern suburbs, Oak Cliff may sound like a detour.

But developer David Watson said demand for new retail space in the neighborhood on West Illinois Avenue drew him to his latest deal.

Mr. Watson's Direct Development Co. is about to break ground on a 26-acre shopping center on an old industrial site near Kiest Park.

New strip shopping centers are part of the landscape in most suburban areas north of Dallas, but projects like this are still few and far between in neighborhoods south of the river.

The corner property at Westmoreland Road is across the street from DART's light rail station.

"It's a win-win for the city and the neighborhood," said Dr. Elba Garcia, Dallas' deputy mayor pro tem and the council representative for the area.

"An industrial site in the middle of a neighborhood is always a concern."

"The is the perfect development," she said. "It's close to a rail station, which will bring critical mass and will connect the dots."

The Sierra Vista shopping center will cater to several nearby residential neighborhoods.

"There were a number of older grocers serving that trade area," Mr. Watson said. "But we saw a need for a first-quality grocery store."

Direct Development has signed a deal with Minyard's Food Stores Inc. to build a 57,000-square-foot Carnival Food Store to anchor the new development.

"This will be nothing like any of the existing Carnival stores," Mr. Watson said.

"It will have a produce section that will rival any in the city, and it will have a bakery and a taqueria.

"I think the store will appeal broadly, but there is no question they are targeting the Hispanic customer."

Minyard officials could not be reached for comment Wednesday.

The supermarket is the centerpiece of the 125,000-square-foot complex.

Construction will cost more than \$15 million, and the center should be ready by next July, Mr. Watson said.

The builders are also talking with potential tenants, including a movie theater, fashion retailers, athletic shoe stores, medical services, fast food and financial companies.

"We need to be out of the ground in the next 90 days," Mr. Watson said.

The shopping center is replacing an aging industrial complex used by Halliburton Co. and Dresser Industries Inc.

"There were approximately 300,000 square feet of industrial space and a 50,000-square-foot office building" on the property, Mr. Watson said.

"We tore those down, which allowed us to have a site of this size."

Direct Development, which was founded in 1997, has done projects including the Addison Walk shopping center on Belt Line Road and a retail center at Northwest Highway and Midway Road.

DallasNews.com

The Dallas Morning News

Hill sought funds for deal

Mayor pro tem, other subject of FBI inquiry wanted pension money for associates' project

12:13 AM CDT on Saturday, August 27, 2005

By EMILY RAMSHAW and BROOKS EGERTON / The Dallas Morning News

Dallas Mayor Pro Tem Don Hill and his Plan Commission appointee sought public-employee pension funds for a redevelopment proposal to which their associates have business ties, *The Dallas Morning News* has learned.

Mr. Hill and Plan Commissioner D'Angelo Lee attended meetings this spring at which the associates also asked DART to aid their proposal, transit agency spokesman Morgan Lyons said Friday.

The two public officials sought the retirement funds last fall from the Dallas Police and Fire Pension System, on whose board Mr. Hill sits. The board and DART say they declined to participate in the proposal, which is not in Mr. Hill's City Council district.

Mr. Hill and Mr. Lee, who are at the center of the FBI's widening public corruption investigation, could not be reached for comment Friday.

Nor could their associates, who use the name The LKC Dallas and operated until recently out of Mr. Lee's private office near downtown.

Also working in that office was Sheila Farrington, Mr. Hill's close friend and paid political consultant.

FBI spokeswoman Lori Bailey declined to comment Friday. No charges have been filed in the investigation, and no one has been accused of a crime.

The redevelopment proposal has never gone forward. It involves a run-down Oak Cliff shopping center at Lancaster Road and Kiest Boulevard in the district of council member Maxine Thornton-Reese.

Dr. Thornton-Reese, who also serves on the pension board and is a close Hill ally, did not respond to phone messages Friday. She, Mr. Hill, Mr. Lee and several other local and state elected officials have been named in federal subpoenas served at City Hall.

The subpoenas have also demanded records on Mr. Hill's dealings with a business formed by Mr. Lee, called the 825 Co., and its relationship to the shopping center.

The FBI has not asked or ordered Dallas Area Rapid Transit to turn over documents, DART said.

Mayor Laura Miller said she heard last fall that Mr. Hill was involved in the shopping center proposal.

Also Online

[Hill sought funds for deal](#)

[West's son intern for housing firm](#)

She said she approached him at a council meeting and asked "whether it was legal for a council member to propose a speculative real estate deal to a city pension board."

Ms. Miller said Mr. Hill told her he had cleared the matter with the city attorney. And he "made it clear it was a deal he was doing," she said.

"He was very short with me and said, 'I don't want you involved in my deal,'" Ms. Miller said.

The city attorney's office declined to comment Friday.

Dallas fire Lt. Gerald Brown, chairman of the pension board, said Mr. Hill initially approached pension system administrator Richard Tettament with the investment idea.

Mr. Tettament referred him to CDK Realty Advisors, a firm that manages some of the pension fund's real estate investments, Lt. Brown said. But then Mr. Lee – not Mr. Hill – approached CDK, firm partner Jon Donahue said.

Mr. Donahue said he expressed interest in the project until he learned that Mr. Lee didn't have a contract to buy the shopping center. He told Mr. Lee to come back when he did and hasn't heard from him since.

A developer not named in subpoenas viewed by *The News* previously told the newspaper of a similar encounter. The developer, speaking on the condition of anonymity, said Mr. Lee and a man named Ron Slovacek pressed him to invest in the center even though they did not have it under contract.

Mr. Slovacek, also named in the subpoenas, could not be reached for comment Friday.

Mr. Lyons, the DART spokesman, said Mr. Slovacek also attended meetings at the transit agency when The LKC Dallas was asking for help. He said Mr. Slovacek appeared as a representative of LKC and accompanied the firm's owner, Andrea Spencer.

She, too, has been named in the subpoenas. She also has ties to another major figure in the FBI investigation: low-income housing developer Brian Potashnik, whose company has said it hired her to pour concrete, at the urging of Mr. Hill.

LKC wanted DART to modify a rail station platform near the shopping center, Mr. Lyons said. He said DART was not willing to pay for the changes and has heard no more about the proposal since.

Mr. Lyons said LKC first met with Jack Wierzenski, DART's director of economic development, and DART board member Lynn Flint Shaw. Later, LKC met with DART's president and executive director, Gary Thomas.

Ms. Shaw has also been named in a subpoena. She has said she is trying to find out why.

Mr. Hill and his plan commissioner, Mr. Lee, attended both DART meetings, Mr. Lyons said. He said he didn't know why they were there.

The shopping center has long been owned by San Antonio-based Spigel Properties, whose representatives have not returned repeated phone calls from reporters. The firm buys struggling malls and negotiates their redevelopment, often with a form of government assistance called tax increment financing.

In March, Mr. Hill sought to create a tax increment finance district, or TIF, in the Lancaster-Kiest shopping center area. He and four colleagues wrote the mayor a memo, seeking to put the proposal on a council meeting agenda.

Ms. Miller said the request perplexed her.

"I thought, why in the world would we create a TIF ... when we don't have a developer interested and committed to doing a project in this area?" she said.

Ms. Miller said she insisted Mr. Hill withdraw the request, and he did.

Staff writer Reese Dunklin contributed to this report.

E-mail eramshaw@dallasnews.com

and begerton@dallasnews.com

Online at: <http://www.dallasnews.com/s/dws/news/dmn/stories/082705dnmetpensionfund.227ce4f6.html>

Kyle Robertson

From: Donn Fuller
Sent: Monday, August 29, 2005 7:52 PM
To: Kyle Robertson
Subject: FW: Lancaster/Keist Mixed Use Project

FYI,
See you in the morning

-----Original Message-----

From: Ross Gentry [mailto:rgentry@gfrealtyadvisors.com]
Sent: Mon 8/29/2005 4:58 PM
To: stanley@spigelproperties.com
Cc: Donn Fuller
Subject: FW: Lancaster/Keist Mixed Use Project

Mr. Spigel,

As Donn Fuller's suggested, please provide a current month and y-t-d income/expense statement and current rent roll for the subject. Upon review and confirmation of these numbers, I intend to submit an offer to purchase the property.

My contact information and a company profile are attached for your information and convenience.

Regards,
Ross Gentry

-----Original Message-----

From: Donn Fuller [mailto:dfuller@weitzmangroup.com]
Sent: Friday, August 26, 2005 9:28 AM
To: Ross Gentry
Cc: Kyle Robertson; Stanley Spigel
Subject: RE: Lancaster/Keist Mixed Use Project

Ross,

We just spoke to the owner and he is ready to go. He would like you to request the information directly, and he will forward to you what you need. As we discussed when you were here, he is looking for a price of \$5.5M.

Stanley's email address is:
stanley@spigelproperties.com

Let me know if you need anything additional.
donn

Donn M. Fuller
Vice President
The Weitzman Group
3102 Maple Avenue, Suite 350
Dallas, TX 75201

8/30/2005

050

214.720.3662 (o)
214.244.5578 (m)
214.953.0866 (f)
dfuller@WeitzmanGroup.com

-----Original Message-----

From: Ross Gentry [mailto:rgentry@gfrealtyadvisors.com]
Sent: Thursday, August 25, 2005 12:03 PM
To: Donn Fuller
Subject: RE: Lancaster/Keist Mixed Use Project

Thanks Donn, I was just going to call you today. Can write an offer once you provide most recent P & L and rent roll and any other pertinent information. Ross

8/30/2005

051

**Spigel
Properties**
Investments · Real Estate

(210) 349-3636
FAX (210) 366-9422

40 N.E. Loop 410, Suite 102
San Antonio, TX 78216

FAX

| | |
|--|--|
| To: R. Scott Alagood | From: Stanley Spigel |
| Fax: (940) 891-0004 | Pages: 2, including fax cover |
| Phone: (940) 891-0003 | Date: 4/28/2005 |
| Re: Lancaster Kiest Shopping Center | CC: Kyle Robertson (214) 953-0866 |

COMMENTS:

**DONALDSON
PROPERTIES, LTD.**

INVESTMENTS • REAL ESTATE

40 N.E. LOOP 410, SUITE 102
SAN ANTONIO, TEXAS 78216

STANLEY SPIGEL
(210) 349-3636

April 28, 2005

Ron Slovacek
Kiest General, LLC
1409 South Lamar, Ste. 703
Dallas, Texas 75215

Re: Lancaster Kiest Shopping Center
Dallas, Texas

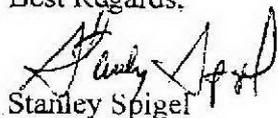
Dear Mr. Slovacek:

As stated in the Terms of Purchase letter sent to your attention on April 13, 2005, this letter would become void if the seller were to enter into a lease with the State of Texas. At this time, seller has entered into the negotiation process with the State of Texas.

The Terms of Purchase letter dated April 13, 2005 is now considered void. The seller will still offer the property on a first right of refusal basis until June 30, 2005.

Please contact our office at (210) 349-3636 whould you have any questions.

Best Regards,



Stanley Spigel
President
Donaldson Properties, Ltd.

ALAGOOD & CARTWRIGHT

A PROFESSIONAL CORPORATION

R. SCOTT ALAGOOD†
BRIAN T. CARTWRIGHT

WILLIAM H. KESTER

†BOARD CERTIFIED, RESIDENTIAL &
COMMERCIAL REAL ESTATE, TEXAS
BOARD OF LEGAL SPECIALIZATION

2921 COUNTRY CLUB ROAD
SUITE 104
DENTON, TEXAS 76205

(940) 891-0003 OFFICE
(940) 891-0004 FACSIMILE

April 25, 2005

REGULAR MAIL

Donaldson Properties, Ltd.
Mr. Stanley Spigel
40 N.E. Loop 410, Suite 102
San Antonio, Texas 78216

Re: Binding Letter of Intent with Kiest General, LLC, for the sale
of the Lancaster Kiest Shopping Center in Dallas, Texas

Dear Mr. Spigel:

Ron Slovacek asked that I forward this letter to your attention. By copy, I am also sending this letter and the enclosure to your attorney Jason W. Chosick. You may direct any questions to Mr. Slovacek directly or you may have Mr. Chosick contact me at the address and telephone numbers set forth above.

In accordance with the Binding Letter of Intent that you prepared, executed, and provided to Mr. Slovacek, enclosed please find the Real Estate Sales Contract for your review, approval, and execution. Because of the limited period of time that exists under the Binding Letter of Intent, Mr. Slovacek is requesting that you respond to the enclosed contract on or before 5:00 p.m., April 29, 2005.

Kiest General, LLC, is required by the Binding Letter of Intent to conduct its due diligence prior to entering into the contract. As a result, you promised Mr. Slovacek that you would provide him with all existing due diligence documentation that you have within your custody and/or control. To date, Mr. Slovacek has not received such documentation. Therefore, on his behalf I am requesting that the following be provided to Mr. Slovacek on or before 5:00 p.m., April 22, 2005:

- Rent roll
- Existing Leases
- Environmental Reports, Inspections, and Studies
- Condition Reports, Inspections, and Studies
- Most current survey
- Agreements affecting the use of the Property, including easements, management contracts, etc...

MR. SPIGEL
April 25, 2005
Page 2

Thank you for your prompt attention to these matters. We look forward to receiving the due diligence documentation and response to the contract in a timely manner.

Sincerely,

R. Scott Alagood

cc: Jason W. Chosick

ALAGOOD & CARTWRIGHT
A PROFESSIONAL CORPORATION

R. SCOTT ALAGOOD†
BRIAN T. CARTWRIGHT

WILLIAM H. KESTER

†BOARD CERTIFIED, RESIDENTIAL &
COMMERCIAL REAL ESTATE, TEXAS
BOARD OF LEGAL SPECIALIZATION

2921 COUNTRY CLUB ROAD
SUITE 104
DENTON, TEXAS 76205

(940) 891-0003 OFFICE
(940) 891-0004 FACSIMILE

April 25, 2005

REGULAR MAIL

Donaldson Properties, Ltd.
Mr. Stanley Spigel
40 N.E. Loop 410, Suite 102
San Antonio, Texas 78216

Re: Binding Letter of Intent with Kiest General, LLC, for the sale
of the Lancaster Kiest Shopping Center in Dallas, Texas

Dear Mr. Spigel:

Ron Slovacek asked that I forward this letter to your attention. By copy, I am also sending this letter and the enclosure to your attorney Jason W. Chosick. You may direct any questions to Mr. Slovacek directly or you may have Mr. Chosick contact me at the address and telephone numbers set forth above.

In accordance with the Binding Letter of Intent that you prepared, executed, and provided to Mr. Slovacek, enclosed please find the Real Estate Sales Contract for your review, approval, and execution. Because of the limited period of time that exists under the Binding Letter of Intent, Mr. Slovacek is requesting that you respond to the enclosed contract on or before 5:00 p.m., April 29, 2005.

Kiest General, LLC, is required by the Binding Letter of Intent to conduct its due diligence prior to entering into the contract. As a result, you promised Mr. Slovacek that you would provide him with all existing due diligence documentation that you have within your custody and/or control. To date, Mr. Slovacek has not received such documentation. Therefore, on his behalf I am requesting that the following be provided to Mr. Slovacek on or before 5:00 p.m., April 22, 2005:

- Rent roll
- Existing Leases
- Environmental Reports, Inspections, and Studies
- Condition Reports, Inspections, and Studies
- Most current survey
- Agreements affecting the use of the Property, including easements, management contracts, etc...

MR. SPIGEL
April 25, 2005
Page 2

Thank you for your prompt attention to these matters. We look forward to receiving the due diligence documentation and response to the contract in a timely manner.

Sincerely,

R. Scott Alagood

cc: Jason W. Chosick

MODE - MEMORY TRANSMISSION

START=APR-20 09:36

END=APR-20 09:38

FILE NO.=949

STN NO. COMM. ABBR NO. STATION NAME/TEL NO. PAGES DURATION
 001 OK 919408910004-2653 002/002 00:00:47

-WEITZMAN GROUP

***** - ***** - 2149530866- *****



THE WEITZMAN GROUP

| | | |
|----------|---------------------------------------|-------------------------------------|
| To: | Scott Alagood | |
| Company: | | |
| Phone: | 940.891.0003 | |
| Fax: | 940.891.0004 | |
| From: | Kyle Robertson | Email: krobertson@weitzmangroup.com |
| Phone: | 214.720.3691 | |
| Fax: | 214.953.0866 (Alt. Fax: 214.720.6684) | |
| Date: | April 20, 2005 | |

- | | | | |
|---|---|--|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Dallas | Austin | Houston | San Antonio |
| 3102 Maple Ave., Suite 350 Dallas, Texas 75201 214.954.0600 214.953.0866 fax | 101 W. 5 th Street, Suite 300 Austin, Texas 78701 512.482.0094 512.482.9021 fax | 1800 Spring Drive, Suite 550 Houston, Texas 77057 713.868.9961 713.781.7119 fax | 70 NE Loop 410, Suite 450 San Antonio, Texas 78216 210.366.5050 210.377.1777 fax |

Pages including this cover page: **2**

Visit us at www.WeitzmanGroup.com

Subject: Lancaster Kiest Shopping Center

Scott... see attached letter from Donaldson Properties dated April 13 outlining terms of purchase.

Kyle

News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature** anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantee, warranties or representations as to the completeness or accuracy thereof. The preparation of this property is subject to errors, omissions, change of plan, prior to sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

MODE = MEMORY TRANSMISSION START=APR-15 14:01 END=APR-15 14:03

FILE NO.=783

| STN NO. | COMM. | ABBR NO. | STATION NAME/TEL NO. | PAGES | DURATION |
|---------|-------|----------|----------------------|---------|----------|
| 001 | OK | | 912103669422-2653 | 002/002 | 00:00:39 |

-WEITZMAN GROUP -

***** - ***** - 2149530866- *****



THE WEITZMAN GROUP

| | |
|----------|-------------------|
| To: | Stanley Spigel |
| Company: | Spigel Properties |
| Phone: | 210-349-3636 |
| Fax: | 210-366-9422 |

| | |
|-------|----------------|
| From: | Kyle Robertson |
| Date: | 4-15-05 |

Dallas
3102 Maple Ave.
Suite 350
Dallas, Texas 75201
214.954.0800
214.953.0866 fax

Austin
101 W. 6th Street
Suite 300
Austin, Texas 78701
512.482.0094
512.482.9021 fax

Houston
1800 Bering Drive
Suite 550
Houston, Texas 77057
713.968.5961
713.781.7119 fax

San Antonio
70 NE Loop 410
Suite 450
San Antonio, Texas 78216
210.388.5050
210.377.1777 fax

| | |
|----------------------------------|--|
| Pages including this cover page: | |
|----------------------------------|--|

Visit us at www.WeitzmanGroup.com

Comments:

I need to make arrangements to pick up all the material as soon as possible.
Thanks
Kyle

News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, Cencor Realty Services developed Main Street Village, a Kroger Signature-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantee, warranties or representations as to the completeness or accuracy thereof. The presentation of the property is submitted subject to errors, omissions, change of price, prior to sale or lease; or withdrawal without notice. The Weitzman Group is the brokerage division of [unreadable]. [unreadable] is the management and development division, Cencor Realty Services.



THE WEITZMAN GROUP

| | |
|----------|--------------------|
| To: | Stanley Spiegel |
| Company: | Spiegel Properties |
| Phone: | 210-349-3636 |
| Fax: | 210-366-9422 |

| | |
|-------|----------------|
| From: | Kyle Robertson |
| Date: | 4-15-05 |

Dallas
 3102 Maple Ave.
 Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax

Austin
 101 W. 6th Street
 Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax

Houston
 1800 Bering Drive
 Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax

San Antonio
 70 NE Loop 410
 Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

| |
|----------------------------------|
| Pages including this cover page: |
|----------------------------------|

Visit us at www.WeitzmanGroup.com

Comments:

I need to make arrangements to pick up all the material as soon as possible.

Thanks
Kyle



News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, Cencor Realty Services developed Main Street Village, a Kroger Signature-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: *The Retail Specialists*

**DONALDSON
PROPERTIES, LTD.**

INVESTMENTS • REAL ESTATE

40 N.E. LOOP 410, SUITE 102
SAN ANTONIO, TEXAS 78216

STANLEY SPIGEL
(210) 349-3636

April 13, 2005

Ron Slovacek
Kiest General, LLC
1409 South Lamar, Ste. 703
Dallas, Texas 75215

Re: Lancaster Kiest Shopping Center – Dallas, TX

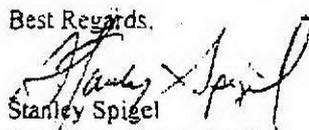
Donaldson Properties, Ltd. will sell the Lancaster Kiest Shopping Center, except for southeast corner pad site, under the following terms and not offer for sale the property to anyone else, provided an earnest money contract has been entered into on or before May 23, 2005.

TERMS OF PURCHASE

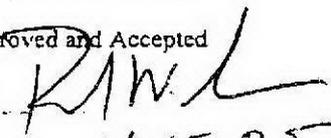
- **Purchase Price:** \$5,500,000 – Cash payable at closing, less \$400,000 for pad site on southeast corner of Lancaster & Kiest if not under contract
- **Non-Refundable Earnest Money:** \$200,000 non-refundable deposited to Chicago Title – San Antonio, TX on or before May 23, 2005
- **Survey:** Purchaser pays for survey with \$2,000 reimbursed by Seller at closing
- **Inspection Period:** Buyer will inspect property and perform due diligence prior to entering into earnest money contract
- **Closing Date:** On or before June 30, 2005
- **Correspondence:** All correspondence to tenants must be approved by Seller in writing. Purchaser shall further provide Seller with copies of all correspondence.
- **Additional Issues:** Should during the due diligence the seller enter into a lease with the State of Texas, this letter of intent will be void, however, seller will offer the property to buyer on a first right of refusal until June 30, 2005

Should you have any questions please feel free to contact our office at (210) 349-3636.

Best Regards,


Stanley Spigel
Donaldson Properties, Ltd.

Approved and Accepted

BY: 

DATE: 4-15-05



(210) 349-3636
FAX (210) 366-9422

40 N.E. Loop 410, Suite 102
San Antonio, TX 78216

FAX

| | |
|--|--------------------------------------|
| To: Kyle Robertson | From: Stanley Spigel |
| Fax: (214) 953-0866 | Pages: 2, including fax cover |
| Phone: (214) 850-3873 | Date: 4/13/2005 |
| Re: Lancaster Kiest Shopping Center | |

COMMENTS:

*Stanley Spigel
Spigel Properties
40 NE Loop 410, Suite 102
San Antonio, Texas 78216
210.349.3636 telephone
210.366.9422 fax
stanley@spigelproperties.com*

**DONALDSON
PROPERTIES, LTD.**

INVESTMENTS • REAL ESTATE

40 N.E. LOOP 410, SUITE 102
SAN ANTONIO, TEXAS 78216

STANLEY SPIGEL
(210) 349-3636

April 13, 2005

Ron Slovacek
Kiest General, LLC
1409 South Lamar, Ste. 703
Dallas, Texas 75215

Re: Lancaster Kiest Shopping Center - Dallas, TX

Donaldson Properties, Ltd. will sell the Lancaster Kiest Shopping Center, ~~except for southeast corner pad site~~, under the following terms and not offer for sale the property to anyone else, provided an earnest money contract has been entered into on or before May 23, 2005.

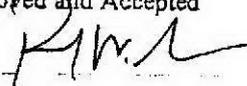
TERMS OF PURCHASE

- Purchase Price: \$5,500,000 - Cash payable at closing, ~~less \$100,000 for pad site on southeast corner of Lancaster & Kiest if not under contract~~
 - Non-Refundable Earnest Money: \$200,000 non-refundable deposited to Chicago Title - San Antonio, TX on or before May 23, 2005
 - Survey: Purchaser pays for survey with \$2,000 reimbursed by Seller at closing
 - Inspection Period: Buyer will inspect property and perform due diligence prior to entering into earnest money contract
 - Closing Date: On or before June 30, 2005
 - Correspondence: All correspondence to tenants must be approved by Seller in writing. Purchaser shall further provide Seller with copies of all correspondence.
 - Additional Issues: Should during the due diligence the seller enter into a lease with the State of Texas, this letter of intent will be void, however, seller will offer the property to buyer on a first right of refusal until June 30, 2005
 - Commission: Weitzman Group (Kyle Robertson) 6% first 1,000,000 and 3% on balance of purchase price paid by seller
- Should you have any questions please feel free to contact our office at (210) 349-3636.

Best Regards,


Stanley Spigel
Donaldson Properties, Ltd.

Approved and Accepted

BY:  / manager

DATE: 4-13-05



THE WEITZMAN GROUP

| | |
|----------|--------------------|
| To: | Stanley Spiegel |
| Company: | Spiegel Properties |
| Phone: | 210-349-3636 |
| Fax: | 210-366-9422 |

| | |
|-------|----------------|
| From: | Kyle Robertson |
| Date: | 4-13-05 |

Dallas
 3102 Maple Ave.
 Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax

Austin
 101 W. 6th Street
 Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax

Houston
 1800 Bering Drive
 Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax

San Antonio
 70 NE Loop 410
 Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

| |
|----------------------------------|
| Pages including this cover page: |
|----------------------------------|

Visit us at www.WeitzmanGroup.com

Comments:

Stanley
 The Developer and Pension Fund needed the pad site. They feel based on such a short close the pad should remain in tact.

Please call with questions and/or sign and fax back.



News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature**-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootle Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: *The Retail Specialists*

MODE = MEMORY TRANSMISSION START=APR-13 13:23 END=APR-13 13:24

FILE NO. -679

STN NO. COMM. ABBR NO. STATION NAME/TEL NO. PAGES DURATION
 001 OK 2 912103669422-2653 002/002 00:00:38

-WEITZMAN GROUP

***** - ***** - 2149530866- *****



THE WEITZMAN GROUP

| | |
|----------|-------------------|
| To: | Stanley Spigel |
| Company: | Spigel Properties |
| Phone: | 210-349-3636 |
| Fax: | 210-366-9422 |
| From: | Kyle Robertson |
| Date: | 4-13-05 |

Dallas
 3102 Maple Ave.
 Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax

Austin
 101 W. 6th Street
 Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax

Houston
 1800 Berling Drive
 Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax

San Antonio
 70 NE Loop 410
 Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

Pages including this cover page:

Visit us at www.WeitzmanGroup.com

Comments:

Stanley
 THE DEVELOPER AND PENNSION FUND NEEDED THE PAD SITE. THEY FELT BASED ON SUCH A SHEET CLOSE THE PAD SHOULD REMAIN IN FACT.
 PLEASE CALL WITH QUESTIONS AND SIGN AND FAX BACK.

News Flash
 In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, Cencor Realty Services developed Main Street Village, a Kroger Signature-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantee, warranty or representation as to the completeness or accuracy thereof. The presentation of this property is subject to errors, omissions, change of price, prior to sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Commercial, a national realty corporation which also does business through its management and development division, Cencor Realty Services.

Oak Cliff to get a major shopping center

Potential tenant interest in Sierra Vista said to be strong

BY SANDRA ZARAGOZA | STAFF WRITER

Oak Cliff residents soon will be able to watch a major shopping center take shape—the first new center of its size there in more than 15 years.

In the next 60 days, Dallas-based Direct Development plans to break ground on Sierra Vista, a 180,000-square-foot shopping center on 26 acres at Illinois and Westmoreland avenues. The development is estimated to cost between \$15 million and \$20 million.

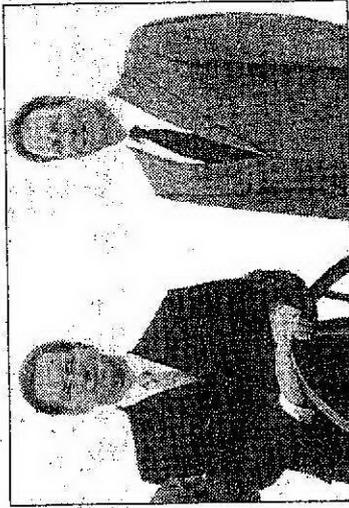
The center has already inked a deal with Coppel-based Minyard Group, which plans to open a 60,000-square-foot Carnival supermarket, aimed at the Hispanic community, at Sierra Vista.

The shopping center is slated to open in 2006.

Sierra Vista will be built on a site where a Halliburton Co. man-

FINE VISTA: David

Watson, left, and Syd Hurley, principals and founders of Direct Development, are planning a major retail center in Oak Cliff.



JAKE DEAN

attract a variety of tenants such as restaurants, clothing stores and other services that will fit into the diverse neighborhood. It's a largely Hispanic area, with the nearby Bishop Arts District attracting young professionals, and Pinnacle Park, an industrial development a few miles away, creating a daytime office population.

As a new property, Sierra Vista's rental rates will range between \$15 and \$30 per square foot. In comparison, average rental rates in South Dallas are \$7.54 per square foot, according to Dallas-based Roddy Information Services.

Dallas city councilwoman Dr. Elba Garcia believes Sierra Vista will help attract other developments to the area.

"There is nothing like it in the Oak Cliff area," she said. "I think it is going to be a great asset for an area that has been neglected for many, many years."

"A little shopping center may not mean anything in other areas, but in our area it means a lot."

szaragoza@bizjournals.com | 214-706-7113

than three miles south of Interstate 30, is near the Dallas Area Rapid Transit's Westmoreland Station, also at Westmoreland and Illinois avenues.

Strong interest

"We feel like that is an advantage to the site," Watson said. "Customers will be able to freely get to and from the center."

Interest in the shopping center has been extremely strong, Watson said, and he is optimistic that it can be fully leased by its opening. Derek Ferem of Direct Development, along with Roland Leal and Steve Gray of Coldwell Banker Commercial, are handling leasing.

Watson says the center hopes to

manufacturing facility now sits, and will have frontage on Illinois Avenue as well as access to Westmoreland Avenue.

David Watson, co-founder of Direct Development, says the Halliburton site, located in an area of older buildings and aging shopping centers, is perfect for the center.

"We set out trying to find a suitable location for a bigger first-class shopping center," he said.

"We feel like this intersection would allow us to really serve the community with a nice center. Having 26 acres allows us to develop it with all the amenities that we would like to see it have."

The site, which is about three miles from Interstate 35 and more

Metroplex retail market showing growth

Demand for space outstrips new construction

BY SANDRA ZARAGOZA | STAFF WRITER

Small merchants, national chains and discount giants gobbled up 3.1 million square feet of retail space in North Texas last year — almost 30% more than the year before.

"Last year's net absorption rate was the highest level of Metroplex retail center absorption since 2000, when more than 5.8 million square feet was absorbed," said George Roddy, president of Roddy Information Services.

About 1.8 million square feet of new multitenant retail space opened for business, down 27.3% from the previous year.

Overall retail occupancy inched up by less than a quarter of a percentage point to 89.7% in

2004 from 88.86% in 2003, according to the 2004 *Retail Roddy Report*, which looks at multitenant space only. Some 3.1 million square feet of occupied space, some new and some existing, was added.

With retailer demand outpacing new retail construction growth, the rest of the year should shape up nicely, Roddy said.

Leveling

"With retail space demands expected to remain strong, coupled with moderate construction completions, the retail occupancy rate should inch up to the 90% mark during this year," he said. "We are heading into a leveling-off period. Construction will slow down to some degree. We won't see the frenzied pace we've seen in the last three or four years."

One wild card could be low interest rates, which may spur developers to continue building.

"That, in itself, could be a problem, if it gets out of control," Roddy said. "But the way the mar-

ket is looking today, it is pretty stable, and we are seeing less construction than in previous years."

That said, retailers are still eager to enter areas that are continuing to see strong single-family-home construction, such as northeast Fort Worth and Collin County.

Comparison

Last year, Benbrook, a bedroom community in southwest Tarrant County, emerged as the best retail submarket by occupancy at 97.6%. The city last year announced the development of Benbrook Towne Crossing, a 300,000-square-foot power center along U.S. 377, along with more than 297 homes.

At the same time, Benbrook was recognized as the third-worst submarket by average rent at \$7.84 per square foot, while Oak Lawn and the Park Cities both had the highest average rents at \$28.36. That compares to an overall Dallas-Fort Worth average rental rate of \$15.21, up 2.42% from last year's \$14.85.

Rounding out the top five submarkets by occupancy were: North Dallas at 95.9%; the city of Allen, 95.8%; Pleasant Grove, 95.5%; and Frisco, 94.8%.

Outlook

The five worst submarkets were South Mesquite at 67.9%; North Richland Hills, 72.6%; North Fort Worth, 76.3%; Duncanville and Cedar Hill combined at 77.8% and the Dallas Central Business District, 78.89%. When viewed on its own, retail darling Cedar Hill absorbed 68,000 square feet and reported 92% occupancy in 2004.

Developer Frank Mihalopoulos, who has shopping centers in Cedar Hill and McKinney, says he believes North Texas will continue to see retail occupancy improving in 2005. "The continual expansion of the SuperTargets and Wal-Marts of the world will continue to be a major driver in the D-FW area," he said.

szaragoza@bizjournals.com | 214-706-7113

'THE LKC'

A Proposed Mixed-Use Development at East Kiest Boulevard and South Lancaster Lane

10 March, 2005

Summary of Area Calculations

| | # Of Units | Average SFT | Total area SFT | Parking Required |
|----------------------------|------------|-------------|-------------------|---------------------|
| For Sale Town homes | 104 | 1436.5 | 149,396 | 208 |
| For Sale Condos | 154 | 1600 | 246,400 | 308 |
| For rent Apartments | 420 | 815 | 342,300 | 630 |
| For rent Quadplex | 16 | 1200 | 19,200 | 24 |
| Offices (6 Levels) | | | 365,400 | 1,217 |
| Retail/ Service (2 Levels) | | | 243,800 | 1,219 |
| Hotel/ Conference (5 Lvl) | 140 | 600 | 84,000 | 210 |
| | | | | <hr/> |
| | | | | 3,816 |

Parking provided: 4,071 spaces

Parking required: 3,816 spaces



ARCHITECTURAL
GROUP
INTERNATIONAL

'THE LKC'

A Proposed Mixed-Use Development at East Kiest Boulevard and South Lancaster Lane

04 March, 2005

Summary of Area Calculations

| | # Of Units | Average SFT | Total area SFT | Parking Required |
|----------------------------|---------------------------|--------------------|-----------------------|-------------------------|
| For Sale Town homes | 104 | 1436.5 | 149,396 | 208 |
| For Sale Condos | 112 | 1200 | 134,400 | 224 |
| For rent Apartments | 220 <i>400</i> | 300 | 176,000 | 330 |
| For rent Quadplex | 16 | 1200 | 19,200 | 24 |
| Offices | | | 125,000 | 416 |
| Retail/ Service | | | 231,408 | 771 |
| Hotel/ Conference | 112 | 600 | 67,200 | 168 |
| | | | | 2,141 |

*60,000 sf parking
to V.A. ← Cisco
Syst.*

Parking provided: 2,600 spaces

(634+420+553+595+298+100 Misc. surface parking)

Parking required: 2,141 spaces



ARCHITECTURAL
GROUP
INTERNATIONAL

Kyle Robertson

From: Ronald Slovacek [landdevelopment@ez2.net]
Sent: Friday, March 04, 2005 5:21 PM
To: Kyle Robertson
Subject: Emailing: reddevelopment.com



reddevelopment.co
m.url

Kyle,

CDK Realty Advisors is the pension fund representative for the Dallas Police and Fire pension fund.

The link to their developer is below.

Ron

The message is ready to be sent with the following file or link attachments:

Shortcut to: <http://reddevelopment.com/>

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

MODE = MEMORY TRANSMISSION START=FEB-24 15:03 END=FEB-24 15:07

FILE NO.=361

| STN NO. | COMM. | ABBR NO. | STATION NAME/TEL NO. | PAGES | DURATION |
|---------|-------|----------|----------------------|---------|----------|
| 001 | OK | | 912103669422-2653 | 014/014 | 00:03:25 |

-WEITZMAN GROUP -

***** - ***** 2149530866- *****



THE WEITZMAN GROUP

| | | |
|-----------------|---------------------------------------|--------------------------------------|
| To: | Stanley Spigel | |
| Company: | Spigel Properties | |
| Phone: | 210-349-3636 | |
| Fax: | 210-366-9422 | |
| From: | Kyle Robertson | Email: k Robertson@weitzmangroup.com |
| Phone: | 214.720.3691 | |
| Fax: | 214.953.0866 (Alt. Fax: 214.720.6684) | |
| Date: | 2-24-05 | |

Dallas
 3102 Maple Ave., Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax

Austin
 101 W. 6th Street, Suite 300
 Austin, Texas 78701
 512.482.0094
 612.482.9021 fax

Houston
 1800 Bering Drive, Suite 550
 Houston, Texas 77057
 713.888.9961
 713.781.7119 fax

San Antonio
 70 NE Loop 410, Suite 450
 San Antonio, Texas 78216
 210.366.6060
 210.377.1777 fax

| | |
|----------------------------------|-----------|
| Pages including this cover page: | 14 |
|----------------------------------|-----------|

Visit us at www.WeitzmanGroup.com

Subject:

Will call shortly to confirm receipt and answer any questions.

News Flash

In Frisco, we're delivering results.

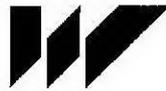
Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, Cencor Realty Services developed Main Street Village, a Kroger Signature-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cufie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained here in was obtained from sources believed reliable; however, The Weitzman Group makes no guarantee, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price, prior to sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.



THE WEITZMAN GROUP

| | |
|-----------------|-------------------|
| To: | Stanley Spigel |
| Company: | Spigel Properties |
| Phone: | 210-349-3636 |
| Fax: | 210-366-9422 |

| | | |
|---------------|---------------------------------------|--|
| From: | Kyle Robertson | Email: krobertson@weitzmangroup.com |
| Phone: | 214.720.3691 | |
| Fax: | 214.953.0866 (Alt. Fax: 214.720.6684) | |
| Date: | 2-24-05 | |



Dallas

3102 Maple Ave., Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax



Austin

101 W. 6th Street, Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax



Houston

1800 Bering Drive, Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax



San Antonio

70 NE Loop 410, Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

| | |
|----------------------------------|-----------|
| Pages including this cover page: | 14 |
|----------------------------------|-----------|

Visit us at www.WeitzmanGroup.com

Subject:

Will call shortly to confirm receipt and answer any questions.



News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature**-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with **Cencor** to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

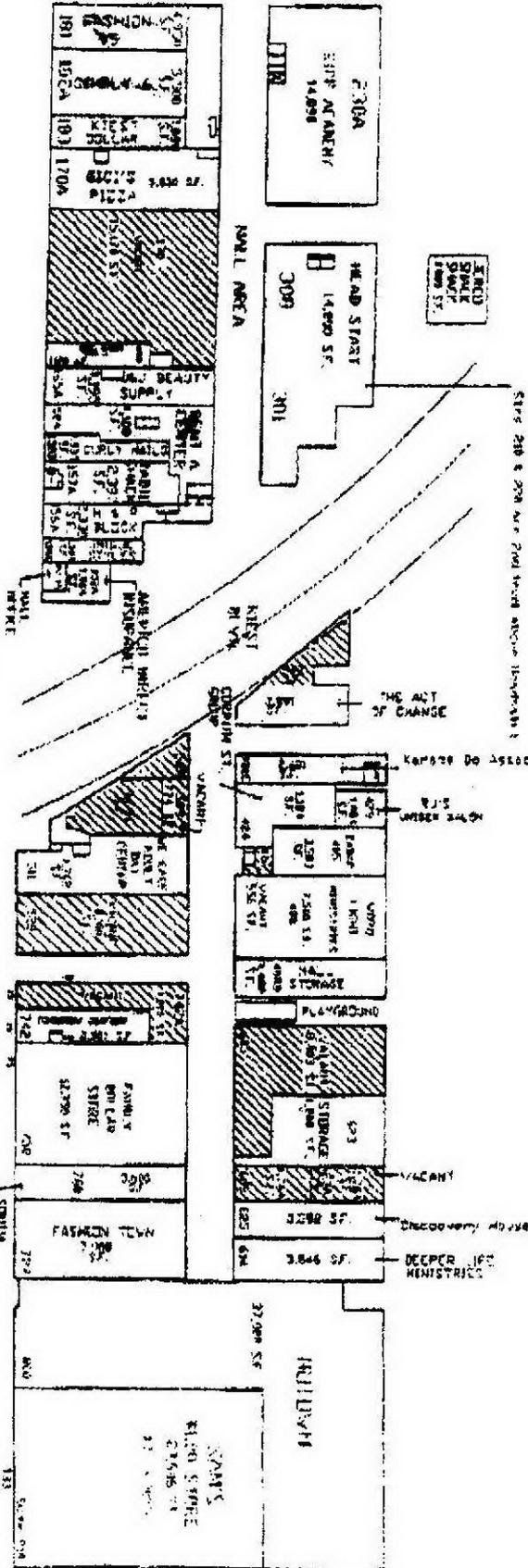
Main Street Village is just one of many new retail projects that **The Weitzman Group** is leasing in Texas.

The Weitzman Group & Cencor Realty Services: *The Retail Specialists*

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price, prior to sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

LANDASTER KEEST
 SHIPPING CENTER
 PHASE 1A/1B
 STATE P - 98.0
 REVISED 02/01/2005

UPPER LEVEL



MILL LEVEL

| NO. | DESCRIPTION | AREA |
|-----|-------------|------|-----|-------------|------|-----|-------------|------|-----|-------------|------|-----|-------------|------|-----|-------------|------|
| 101 | STAIRS | 100 | 102 | STAIRS | 100 | 103 | STAIRS | 100 | 104 | STAIRS | 100 | 105 | STAIRS | 100 | 106 | STAIRS | 100 |
| 107 | STAIRS | 100 | 108 | STAIRS | 100 | 109 | STAIRS | 100 | 110 | STAIRS | 100 | 111 | STAIRS | 100 | 112 | STAIRS | 100 |
| 113 | STAIRS | 100 | 114 | STAIRS | 100 | 115 | STAIRS | 100 | 116 | STAIRS | 100 | 117 | STAIRS | 100 | 118 | STAIRS | 100 |
| 119 | STAIRS | 100 | 120 | STAIRS | 100 | 121 | STAIRS | 100 | 122 | STAIRS | 100 | 123 | STAIRS | 100 | 124 | STAIRS | 100 |
| 125 | STAIRS | 100 | 126 | STAIRS | 100 | 127 | STAIRS | 100 | 128 | STAIRS | 100 | 129 | STAIRS | 100 | 130 | STAIRS | 100 |
| 131 | STAIRS | 100 | 132 | STAIRS | 100 | 133 | STAIRS | 100 | 134 | STAIRS | 100 | 135 | STAIRS | 100 | 136 | STAIRS | 100 |
| 137 | STAIRS | 100 | 138 | STAIRS | 100 | 139 | STAIRS | 100 | 140 | STAIRS | 100 | 141 | STAIRS | 100 | 142 | STAIRS | 100 |
| 143 | STAIRS | 100 | 144 | STAIRS | 100 | 145 | STAIRS | 100 | 146 | STAIRS | 100 | 147 | STAIRS | 100 | 148 | STAIRS | 100 |
| 149 | STAIRS | 100 | 150 | STAIRS | 100 | 151 | STAIRS | 100 | 152 | STAIRS | 100 | 153 | STAIRS | 100 | 154 | STAIRS | 100 |
| 155 | STAIRS | 100 | 156 | STAIRS | 100 | 157 | STAIRS | 100 | 158 | STAIRS | 100 | 159 | STAIRS | 100 | 160 | STAIRS | 100 |
| 161 | STAIRS | 100 | 162 | STAIRS | 100 | 163 | STAIRS | 100 | 164 | STAIRS | 100 | 165 | STAIRS | 100 | 166 | STAIRS | 100 |
| 167 | STAIRS | 100 | 168 | STAIRS | 100 | 169 | STAIRS | 100 | 170 | STAIRS | 100 | 171 | STAIRS | 100 | 172 | STAIRS | 100 |
| 173 | STAIRS | 100 | 174 | STAIRS | 100 | 175 | STAIRS | 100 | 176 | STAIRS | 100 | 177 | STAIRS | 100 | 178 | STAIRS | 100 |
| 179 | STAIRS | 100 | 180 | STAIRS | 100 | 181 | STAIRS | 100 | 182 | STAIRS | 100 | 183 | STAIRS | 100 | 184 | STAIRS | 100 |
| 185 | STAIRS | 100 | 186 | STAIRS | 100 | 187 | STAIRS | 100 | 188 | STAIRS | 100 | 189 | STAIRS | 100 | 190 | STAIRS | 100 |
| 191 | STAIRS | 100 | 192 | STAIRS | 100 | 193 | STAIRS | 100 | 194 | STAIRS | 100 | 195 | STAIRS | 100 | 196 | STAIRS | 100 |
| 197 | STAIRS | 100 | 198 | STAIRS | 100 | 199 | STAIRS | 100 | 200 | STAIRS | 100 | 201 | STAIRS | 100 | 202 | STAIRS | 100 |
| 203 | STAIRS | 100 | 204 | STAIRS | 100 | 205 | STAIRS | 100 | 206 | STAIRS | 100 | 207 | STAIRS | 100 | 208 | STAIRS | 100 |
| 209 | STAIRS | 100 | 210 | STAIRS | 100 | 211 | STAIRS | 100 | 212 | STAIRS | 100 | 213 | STAIRS | 100 | 214 | STAIRS | 100 |
| 215 | STAIRS | 100 | 216 | STAIRS | 100 | 217 | STAIRS | 100 | 218 | STAIRS | 100 | 219 | STAIRS | 100 | 220 | STAIRS | 100 |
| 221 | STAIRS | 100 | 222 | STAIRS | 100 | 223 | STAIRS | 100 | 224 | STAIRS | 100 | 225 | STAIRS | 100 | 226 | STAIRS | 100 |
| 227 | STAIRS | 100 | 228 | STAIRS | 100 | 229 | STAIRS | 100 | 230 | STAIRS | 100 | 231 | STAIRS | 100 | 232 | STAIRS | 100 |
| 233 | STAIRS | 100 | 234 | STAIRS | 100 | 235 | STAIRS | 100 | 236 | STAIRS | 100 | 237 | STAIRS | 100 | 238 | STAIRS | 100 |
| 239 | STAIRS | 100 | 240 | STAIRS | 100 | 241 | STAIRS | 100 | 242 | STAIRS | 100 | 243 | STAIRS | 100 | 244 | STAIRS | 100 |
| 245 | STAIRS | 100 | 246 | STAIRS | 100 | 247 | STAIRS | 100 | 248 | STAIRS | 100 | 249 | STAIRS | 100 | 250 | STAIRS | 100 |
| 251 | STAIRS | 100 | 252 | STAIRS | 100 | 253 | STAIRS | 100 | 254 | STAIRS | 100 | 255 | STAIRS | 100 | 256 | STAIRS | 100 |
| 257 | STAIRS | 100 | 258 | STAIRS | 100 | 259 | STAIRS | 100 | 260 | STAIRS | 100 | 261 | STAIRS | 100 | 262 | STAIRS | 100 |
| 263 | STAIRS | 100 | 264 | STAIRS | 100 | 265 | STAIRS | 100 | 266 | STAIRS | 100 | 267 | STAIRS | 100 | 268 | STAIRS | 100 |
| 269 | STAIRS | 100 | 270 | STAIRS | 100 | 271 | STAIRS | 100 | 272 | STAIRS | 100 | 273 | STAIRS | 100 | 274 | STAIRS | 100 |
| 275 | STAIRS | 100 | 276 | STAIRS | 100 | 277 | STAIRS | 100 | 278 | STAIRS | 100 | 279 | STAIRS | 100 | 280 | STAIRS | 100 |
| 281 | STAIRS | 100 | 282 | STAIRS | 100 | 283 | STAIRS | 100 | 284 | STAIRS | 100 | 285 | STAIRS | 100 | 286 | STAIRS | 100 |
| 287 | STAIRS | 100 | 288 | STAIRS | 100 | 289 | STAIRS | 100 | 290 | STAIRS | 100 | 291 | STAIRS | 100 | 292 | STAIRS | 100 |
| 293 | STAIRS | 100 | 294 | STAIRS | 100 | 295 | STAIRS | 100 | 296 | STAIRS | 100 | 297 | STAIRS | 100 | 298 | STAIRS | 100 |
| 299 | STAIRS | 100 | 300 | STAIRS | 100 | 301 | STAIRS | 100 | 302 | STAIRS | 100 | 303 | STAIRS | 100 | 304 | STAIRS | 100 |
| 305 | STAIRS | 100 | 306 | STAIRS | 100 | 307 | STAIRS | 100 | 308 | STAIRS | 100 | 309 | STAIRS | 100 | 310 | STAIRS | 100 |
| 311 | STAIRS | 100 | 312 | STAIRS | 100 | 313 | STAIRS | 100 | 314 | STAIRS | 100 | 315 | STAIRS | 100 | 316 | STAIRS | 100 |
| 317 | STAIRS | 100 | 318 | STAIRS | 100 | 319 | STAIRS | 100 | 320 | STAIRS | 100 | 321 | STAIRS | 100 | 322 | STAIRS | 100 |
| 323 | STAIRS | 100 | 324 | STAIRS | 100 | 325 | STAIRS | 100 | 326 | STAIRS | 100 | 327 | STAIRS | 100 | 328 | STAIRS | 100 |
| 329 | STAIRS | 100 | 330 | STAIRS | 100 | 331 | STAIRS | 100 | 332 | STAIRS | 100 | 333 | STAIRS | 100 | 334 | STAIRS | 100 |
| 335 | STAIRS | 100 | 336 | STAIRS | 100 | 337 | STAIRS | 100 | 338 | STAIRS | 100 | 339 | STAIRS | 100 | 340 | STAIRS | 100 |
| 341 | STAIRS | 100 | 342 | STAIRS | 100 | 343 | STAIRS | 100 | 344 | STAIRS | 100 | 345 | STAIRS | 100 | 346 | STAIRS | 100 |
| 347 | STAIRS | 100 | 348 | STAIRS | 100 | 349 | STAIRS | 100 | 350 | STAIRS | 100 | 351 | STAIRS | 100 | 352 | STAIRS | 100 |
| 353 | STAIRS | 100 | 354 | STAIRS | 100 | 355 | STAIRS | 100 | 356 | STAIRS | 100 | 357 | STAIRS | 100 | 358 | STAIRS | 100 |
| 359 | STAIRS | 100 | 360 | STAIRS | 100 | 361 | STAIRS | 100 | 362 | STAIRS | 100 | 363 | STAIRS | 100 | 364 | STAIRS | 100 |
| 365 | STAIRS | 100 | 366 | STAIRS | 100 | 367 | STAIRS | 100 | 368 | STAIRS | 100 | 369 | STAIRS | 100 | 370 | STAIRS | 100 |
| 371 | STAIRS | 100 | 372 | STAIRS | 100 | 373 | STAIRS | 100 | 374 | STAIRS | 100 | 375 | STAIRS | 100 | 376 | STAIRS | 100 |
| 377 | STAIRS | 100 | 378 | STAIRS | 100 | 379 | STAIRS | 100 | 380 | STAIRS | 100 | 381 | STAIRS | 100 | 382 | STAIRS | 100 |
| 383 | STAIRS | 100 | 384 | STAIRS | 100 | 385 | STAIRS | 100 | 386 | STAIRS | 100 | 387 | STAIRS | 100 | 388 | STAIRS | 100 |
| 389 | STAIRS | 100 | 390 | STAIRS | 100 | 391 | STAIRS | 100 | 392 | STAIRS | 100 | 393 | STAIRS | 100 | 394 | STAIRS | 100 |
| 395 | STAIRS | 100 | 396 | STAIRS | 100 | 397 | STAIRS | 100 | 398 | STAIRS | 100 | 399 | STAIRS | 100 | 400 | STAIRS | 100 |

Lancaster Kiest
Expense Statement
Cash Basis

2004 YEAR-TO-DATE
 ACTUALS
 Amount

| Expenses: | |
|--------------------------------------|---------------------|
| Salaries - Administrative | \$26,734.28 |
| Payroll Taxes - Admin. | \$2,799.09 |
| Employee Benefits | \$431.57 |
| Office Supplies/Expenses | \$2,651.36 |
| Postage & Courier | \$2,151.22 |
| Telephone | \$10,799.06 |
| Internet Service | \$35.90 |
| Employment Expenses | \$238.15 |
| Property Management Fees | \$27,706.00 |
| Leasing Signage | \$1,336.08 |
| Salaries - Cleaning & Maint. | \$20,638.01 |
| Payroll Taxes - Cleaning & Maint. | \$2,274.38 |
| Cleaning/Maint-Tenant/Vacant Sp | \$964.70 |
| Cleaning & Maint. Supp/Equip. Maint. | \$162.40 |
| Cleaning & Maintenance - Ext. | \$17,158.85 |
| Parking Lot Cleaning/Maint/Supp | \$16,985.99 |
| Parking Lot Lighting | \$1,205.34 |
| Landscaping Maint - Exterior | \$3,570.00 |
| Trash Removal - Whole Prop | \$11,366.48 |
| Locks & Keys | \$801.69 |
| Licenses, Permits, & Inspections | \$1,292.00 |
| Vehicle Expense - Maintenance | \$69.50 |
| Repairs - New Tenant Expense | \$11,458.16 |
| Repairs - Roof | \$10,832.00 |
| Repairs - Common Area | \$30,872.22 |
| Security Service | \$89,064.40 |
| Vehicle Expense - Security | \$4,347.90 |
| Security Expns - Tenants/Vacant Sp | \$214.02 |
| Security Licenses & Fees | \$100.00 |
| Alarm System Expenses | \$3,919.37 |
| Security - Supplies/Equip | \$152.35 |
| Electricity - Common Areas | \$29,875.88 |
| Electricity - Tenants/Vacant Sp | \$7,278.85 |
| Water/Sewer - Common Areas | \$2,964.96 |
| Water/Sewer - Tenants/Vacant Sp | \$13,698.71 |
| Gas - Tenants/Vacant Sp | \$12,778.62 |
| Property Taxes | \$94,689.65 |
| Personal Property Taxes | \$24.93 |
| Insurance - Property | \$22,190.96 |
| Insurance - Liability | \$23,800.04 |
| Insurance - Workers Comp | \$2,459.00 |
| Lease Expense | \$2,925.00 |
| Miscellaneous | \$1,789.59 |
| Total Operating Expenses | \$613,543.69 |

Lancaster Kress Shopping Center

2/10/2005 14:05

| Tenant | Sq. Ft. | Lease Dates | Other Info | Monthly Rent | Monthly C.T. & T. | Monthly Pymt. | % Rent Info |
|----------------------------------|---------|--------------------------------|--|--------------|--------------------------------|---------------|--|
| Age Cash NORTH | 1,600 | 16/03-15/2010 | Rent commences 4/15/05. Pays pro rata share of CAM & Taxes. Tenant shall have 2-5yr options with base monthly rental of \$1733.33 beg. 16/03 and \$1666.66 beg. 16/14. | \$667.00 | \$164.00 CAM \$45.00 Taxes | \$876.00 | |
| America Dred Inc Svcs 152A | 1,863 | Month to Month | No Deposit. | \$750.00 | | \$750.00 | |
| CCC's Pizza 170A | 5,830 | 10/31/04-10/30/2014 | \$3400 Deposit. Pays pro rata share of CAM & Taxes. Tenant shall have two 5-yr options w/ rent at market rate. Beg. 03/01/10 base rent shall be \$3,643.00 Rent commences 3/1/05. Landlord's contribution to finish out shall be rent credit in the amount of \$29,150.00 | \$3,400.00 | \$597.00 CAM \$165.00 Taxes | \$4,162.00 | 1% \$13.51 4% 1.75% 15.11 2.5% 182.14 3% 222* |
| Curry Neals Lan Nguyen 158B | 1,533 | 02/16/04-02/17/07 | \$1400 Deposit. | \$1,400.00 | | \$1,400.00 | |
| Fashion \$5 181 | 4,950 | 5/1/04-4/30/09 | \$4175 Deposit. Rent, CAM, & Taxes commence 8/1/2004. Tenant shall have two 5-yr options w/ rent increases to \$4950 during 1st option and \$5775 during 2nd option. Tenant pays pro rata share of CAM & Taxes. CAM & Taxes shall not increase by more than 3% each Lease Year | \$4,125.00 | \$412.50 CAM \$85.00 Taxes | \$4,702.50 | |
| Fiesta Man parking lot ground 1 | | Opened 4/1/95 | Reimburses for land taxes and pro-rata share of security unless provided by Fiesta. Currently, Fiesta has their own security | | | | |
| Head Start of Greater Dallas 316 | 3,900 | Month to Month (since 12/1/99) | STORAGE SPACE | \$700.00 | | \$700.00 | |
| Head Start of Greater Dallas 301 | 14,000 | 3/1/98-2/28/2008 | Pays an additional \$300/yr. for playground. Base rent increase base 3/1/2003 to \$4,666.66 | \$4,666.66 | \$25.00 Playgr | \$4,691.66 | |
| M & R Black 156A | 3,550 | 5/1/95-4/30/05 | Tenant has 1-5yr option left with base rent at \$1538.33 per month. Pays pro-rata CAM taxes & ins. Use 1% of CR & 10% CAM cap. *Tenant was given an 8% discount for paying 1 yr in advance. \$1,251.96/mo for the 03/04 year | \$1,360.83 | \$251.50 CAM \$67.50 Taxes | \$1,695.83 | |

Leicester Krest Shopping Center

2/10/2005 14.05

| Tenant: | Sq. Ft.: | Lease Dates: | Other Info: | Monthly Rent: | Monthly C. I. & T.: | Monthly Pymt.: | % Rent Info: |
|---|----------|--|--|---------------|--|----------------|------------------------------|
| JJ's Dairy Supply 165A | 4,162 | 2/1/02-1/31/2007 (Old Term: 2/1/97-1/31/2002) | Deposit \$1,734.17 CAM & taxes Fixed Beginning 2/2005. CAM increases to \$326.02 & taxes increase to \$86.70 Fixed Monthly Rental shall be \$2,250.00 Beg. 2/1/2005. | \$2,250.00 | \$326.02 CAM \$86.70 Taxes \$10.00 Water | \$2,572.72 | |
| Krest Snack Shack Pad 1 | 1,000 | Month to Month (Orig. Term 8/1/03-7/31/04) | \$600 Deposit Rent commences 10/1/03 Rent increase to \$700 1/1/04 | \$700.00 | | \$700.00 | |
| Krest Locker Store Suite 163 | 3,040 | Month to Month (Orig. term 9/1/96-8/31/97) | Deposit \$2,300 | \$3,040.00 | | \$3,040.00 | |
| KIPP Trunk Academy Schools 230 | 14,090 | 6/16/03-6/15/08 | No Deposit Rent commences 9/15/04 9/15/05 base rent= \$6000.00 9/15/06 base rent= \$8000.00 Free rent period 9/16/03-9/15/04 Tenant has one, five year option. | \$4,090.00 | \$826.00 CAM \$200.00 Taxes | \$4,826.00 | |
| Radio Shack 157 | 2,397 | 3/1/01-2/29/05 First Option (2/96-2/01 original term) | Committed to 3% of sales as total rent as of 3/02. Tenant has 1-5yr option left. If Tenant's sales exceed \$450,000 in any given lease year, Tenant's rent reverts back to base rent plus C. I. and %. | \$599.25 Avg. | | \$599.25 | |
| Rent-A-Center 159A | 4,108 | 6/1/05-5/31/10 (Orig term 6/08-5/9/4) (1st option 6/94-5/97) (2nd term 6/97-5/00) (3rd option 6/00-5/05) | Tenant has 1-5yr option remaining, with rent increase based upon CPI. Pays a pro rata share of CAM and taxes. Beg 6/1/05 base rent shall be \$2,270.00. CAM \$420.00 and Taxes \$112.00. | \$2,082.96 | \$332.08 CAM \$112.08 Taxes | \$2,527.04 | |
| Simply 6 182A | 5,500 | 1/1/2005-1/23/12/2007 foriginal term 4/94-12/99) | Pays pro rata share of CAM & taxes, not to exceed \$5,775 per year | \$3,208.23 | \$284.63 CAM \$78.38 Taxes \$49.80 hrs | \$3,620.84 | 4%-\$825,000 Yr caps 6/50 |
| SpectraSite (Rex SW Bell Mobile Systems) around Lease ground 3 | | 2/26/96-2/25/15 | Rent increase 3/1/06 to \$1058 and 3/1/11 to \$1218.66 | \$920.00 | | \$920.00 | |
| T Mobile tower | | 1/29/05-1/28/10 | Rent commenced 1/29/05. Tenant shall have three 5-yr options which renew automatically unless tenant notifies landlord within 60 days prior to expiration of term. Rent shall increase by 15% during each option period. | \$1,200.00 | | \$1,200.00 | |
| Unique Styles 154A | 1,254 | Month to Month | No Deposit | \$835.00 | | \$835.00 | |

Lancaster Kiest Shopping Center

2/10/2005 14 05

| <u>Tenant</u> | <u>Sq. Ft.</u> | <u>Lease Dates:</u> | <u>Other Info:</u> | <u>Monthly Rent:</u> | <u>Monthly C. I. & E.</u> | <u>Monthly Pymt.</u> | <u>% Rent hrs.</u> |
|--|----------------|---------------------|--------------------|----------------------|-------------------------------|----------------------|--------------------|
| Vacant Suite 170 | 15,770 | | | | | | |
| Vacant Suite 210 | 5,641 | | | | | | |
| Vacant Suite 220 | 8,442 | | | | | | |
| Vacant (Ike Robert Jones Landfill) 224 | 1,804 | | | | | | |
| Vacant (Ike El Prison) 300A | 4,737 | | | | | | |

SOUTH

| | | | | | | | |
|---|--------|---|---|------------|---------------------|------------|--------------------------------|
| The Art of Change 320 | 2,991 | Month to Month (original term 12/02-11/03) | Rent shall be \$400.00 for September thru December 2004. Thereafter rent shall go back to \$700.00 | \$700.00 | | \$700.00 | |
| Community Alcohol Drug Abstinence Program (CAMAP) 405 | 3,583 | Month to Month (extension 7/01-6/30/02) (original term 5/98-4/99) | Deposit \$700 | \$700.00 | | \$700.00 | |
| Commb. Street AA 424 | 1,084 | Month to Month (Since 4/99) | Pays share of CAM and taxes | \$850.00 | | \$850.00 | |
| Deeper L. ie. Manishies 514 | 1,646 | Month to Month (Since 3/1/99) | Deposit \$1000 | \$1,000.00 | | \$1,000.00 | |
| Discovery House 625 | 3,342 | 4/1/04-3/31/07 | No Deposit. Rent commences 10/15/04. Landlord's contribution to finish out shall be free rent for 4/1/04-10/14/04. Tenant shall have one 3-yr option w/ rent at \$1,890 Pays pro rata share of CAM & Taxes. | \$1,800.00 | \$250.00 \$50.00 | \$2,100.00 | |
| Family Dollar Store 730 | 12,350 | 8/16/02-12/31/11 (original term 4/08-12/99) | Tenant has 4-5yr options remaining. Tenant shall pay 3% of gross sales > \$3,028,668 annually. | \$7,566.67 | | \$7,566.67 | 3%-3.3, 028, 668 Yr ends 12/31 |
| Fashion Town 727 | 8,900 | 10/1/02-9/30/08 (orig term 10/7/98-9/30/03) | One 5-yr option to renew w/ fixed monthly rental of \$4000.00 No Deposit. | \$3,800.00 | | \$3,800.00 | |

Lancaster Kiest Shopping Center

2/10/2005 14:05

| <u>Tenant</u> | <u>Sq. Ft.</u> | <u>Lease Dates</u> | <u>Other Info</u> | <u>Monthly Rent</u> | <u>Monthly C. I. & T.</u> | <u>Monthly Pymt.</u> | <u>% Rent Inc.</u> |
|--|----------------|--|--|---------------------|--------------------------------|----------------------|--------------------|
| L.K. Key Shop Original Lease renewing to ground 2 | | Month to Month | | \$275.00 | | \$275.00 | |
| Meal Storage 408B | 3400 | | | | | | |
| Moldura (aka Kasi Mart) 800 | 37,000 | 2/1/03-03/12/10 | No Deposit Fixed monthly rental beg 1/1/03 \$7000 Fixed monthly rental beg 1/1/04 \$8000 Fixed monthly rental beg 2/1/05 \$9000 | \$5,500.00 | | \$5,500.00 | |
| RUE Unser Salon 429 | 1,084 | 5/1/03-4/30/06 | No Deposit | \$800.00 | | \$800.00 | |
| Sant's \$1.00 Store 910 | 73,846 | 1/1/02-0/30/06 | Rental commencement date 3/1/03 \$5000.00 Deposit Tenant has two, three year options Base rent 3/1/03-4/30/06 - \$7,000.00 Base rent 5/1/06-10/31/09 - \$9,000.00 Base rent 2nd option period - \$10,000.00 | \$7,000.00 | | \$7,000.00 | |
| Sando-Ryu Karate Do 401C | 2,603 | Month to Month | \$900.00 Deposit. Rent commences 9/1/03 | \$900.00 | | \$900.00 | |
| South Texas Dental 760 | 3,600 | 10/1/98-0/30/2008 | Pays a pro rata share of CAM & Taxes. Rate rent increase to \$3900 in the 6th lease year which should be around 2/1/2004 | \$3,900.00 | \$276.00 CAM \$105.84 Taxes | \$4,281.84 | |
| Tannerow Seiders 742 | 2,500 | 2/1/03-1/31/11 | No Deposit. Rent commences 2/1/03 Fixed monthly rental increases to \$2000 beg 2/1/09. Tenant shall have one, 3 yr option w/ rent at market rate | \$1,800.00 | \$205.00 | \$2,062.00 | \$57.00 |
| We Care Adult Day Center 511 | 7,767 | Month to Month (original term 09/9-5/01) | Tenant has one 5-yr option w/ 60 days notice to Landlord. \$7500 deposit | \$3,000.00 | | \$3,000.00 | |
| World Light Ministries 408 | 7,580 | 10/1/03-9/30/06 | \$2000 Deposit. Rent commences 10/1/03 | \$2,000.00 | | \$2,000.00 | |
| Vacant 402A | 565 | | | | | | |
| Vacant 408 | 538 | | | | | | |
| Vacant 500A | 1,400 | | | | | | |

Lancaster Kiest Shopping Center

2/10/2005 14:05

| Tenant | Sq. Ft. | Lease Dates: | Other Info: | Monthly Rent: | Monthly C.T.B.I. | Monthly Pymt. | % Rent Info: |
|--------------------------------------|---------|--------------|-------------|---------------|------------------|---------------|--------------|
| Vacant 509 | 174 | | | | | | |
| Vacant 528 | 4,060 | | | | | | |
| Vacant 605 | 6,403 | | | | | | |
| Vacant (3 Year Food Store) 623 | 1,764 | | | | | | |
| Vacant 747A | 4,000 | | | | | | |

| | | | | | | | |
|------------------------|---------|--|--|-----------------------|------------|-------------|--|
| Total Leased | 190,029 | | | 577,536.59 | \$4,841.73 | \$82,484.32 | |
| Total Vacant | 57,256 | | | | | | |
| Total Leasable Sq. Ft. | 250,299 | | | | | | |

MODE = MEMORY TRANSMISSION

START=JAN-25 14:01

END=JAN-25 14:02

FILE NO.=724

| STN NO. | COMM. | ABBR NO. | STATION NAME/TEL NO. | PAGES | DURATION |
|---------|-------|----------|----------------------|---------|----------|
| 001 | OK | | 92144851584 | 002/002 | 00:01:11 |

-WEITZMAN GROUP

***** - ***** - 2149530866- *****



THE WEITZMAN GROUP

| |
|--|
| To: Ronald Slovacek |
| Company: |
| Phone: 940.243.0812 |
| Fax: 940.243.0945 214 485-1084 |
| From: Kyle Robertson |
| Phone: 214.720.3691 |
| Fax: 214.953.0866 (Alt. Fax: 214.720.6684) |
| Date: January 25, 2005 |

Dallas
 3102 Maple Ave., Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax

Austin
 101 W. 6th Street, Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax

Houston
 1800 Bering Drive, Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax

San Antonio
 70 NE Loop 410, Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

| | |
|----------------------------------|---|
| Pages including this cover page: | 2 |
|----------------------------------|---|

Visit us at www.WeitzmanGroup.com

Subject: Landcaster Kiest Shopping Center

Please see attached memo, which I faxed to Spigel with the resumes. Call me if you have any questions.

Kyle

News Flash
In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a Kroger Signature-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is subject to errors, omissions, change of price, prior to sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty organization which also does business through its management and development division, Cencor Realty Services.



THE WEITZMAN GROUP

To: Ronald Slovacek
Company:
Phone: 940.243.0812
Fax: ~~940.243.0945~~ 214 485-1684

From: Kyle Robertson
Phone: 214.720.3691
Fax: 214.953.0866 (Alt. Fax: 214.720.6684)
Date: January 25, 2005



Dallas

3102 Maple Ave., Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax



Austin

101 W. 6th Street, Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax



Houston

1800 Bering Drive, Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax



San Antonio

70 NE Loop 410, Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

Pages including this cover page: **2**

Visit us at www.WeitzmanGroup.com

Subject: Landcaster Kiest Shopping Center

Please see attached memo, which I faxed to Spigel with the resumes. Call me if you have any questions.

Kyle



News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature**-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with **Cencor** to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that **The Weitzman Group** is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price, prior to sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

TO Stanley Spigel
cc: Ron Slovacek

FROM Kyle Robertson

DATE January 24, 2005

RE **Resumes of Managing and Financial Partners for the Lancaster Keist Shopping Center project.**



Per our conversations, attached are the above-referenced resumes for your use.

Ron Slovacek – General Managing Partner
Andrea Spencer – Managing Partner
Kirby Albright – Lead Financial Partner
Charles Cabrera – Financial Partner

This group was specifically formed to capitalize on redevelopment opportunities in the south Dallas Market. They have already had some preliminary success in work with the City. See the attached proposed Bond funding letter dated January 14, 2005 from the City.

The group envisions the site as a multi-use redevelopment project providing retail, residential, office, and other community services. An example of this would be the Mockingbird Station project located on the north side of downtown close to Mockingbird and Hwy 75 in Dallas.

Lastly, as we discussed, it is critical the property be bought in its entirety to ensure the integrity of the proposed project. The buyers are willing to work with you on any alternative or contingency that would accommodate your user.

I will call you shortly to confirm receipt and answer any questions you might have. Again, thank you for your continued interest in selling the property.

Kyle

MODE = MEMORY TRANSMISSION START=JAN-25 10:39 END=JAN-25 10:40

FILE NO.=700

STN NO. COMM. ABBR NO. STATION NAME/TEL NO. PAGES DURATION
 001 OK 99402430945 002/002 00:01:24

-WEITZMAN GROUP

***** - 2149530866- *****



THE WEITZMAN GROUP

| |
|--|
| To: Ronald Slovacek |
| Company: |
| Phone: 940.243.0812 |
| Fax: 940.243.0945 |
| From: Kyle Robertson |
| Phone: 214.720.3691 |
| Fax: 214.953.0866 (Alt. Fax: 214.720.6684) |
| Date: January 25, 2005 |

Dallas
 3102 Maple Ave., Suite 350
 Dallas, Texas 75201
 214.954.0800
 214.953.0866 fax

Austin
 101 W. 6th Street, Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax

Houston
 1800 Bering Drive, Suite 550
 Houston, Texas 77057
 713.668.9961
 713.781.7119 fax

San Antonio
 70 NE Loop 410, Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

Pages including this cover page: 2

Visit us at www.WeitzmanGroup.com

Subject: Landcaster Kiest Shopping Center

Please see attached memo, which I faxed to Spigel with the resumes. Call me if you have any questions.

Kyle

News Flash
 In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature**-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The **Weitzman Group**, as leasing agent for the center, worked with **Cencor** to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that **The Weitzman Group** is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantee, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is subject to errors, omissions, change of price, prior sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.



Agenda

Planning Committee Meeting
Friday, February 25, 2005, 9:00 a.m.
DART Conference Room C - 1st Floor
1401 Pacific Ave., Dallas, Texas 75202

Start zoning change
& completed in summer
- 4 Δ's
w/ less parking

1. *Discussion of Transit Oriented Development Possibilities for the Southern Sector
(Randall Chrisman/Doug Allen)
2. Identification of Future Agenda Items
3. Adjournment

Transit
214-749-2881
5 Dir. Econ. Dev.
Sara Wenzel

Gilbert Hanson
Charles Bamba

+ Same Night Item
* Briefing Item

The Planning Committee may go into Closed Session under the Texas Open Meetings Act, Section 551.071, Consultation with Attorney, for any legal issues, or under Section 551.072, Deliberation Regarding Real Property for real estate issues arising regarding any item listed on this Agenda.

The next meeting of the Planning Committee is March 22, 2005.

This facility is wheelchair accessible. For accommodations for the hearing impaired, sign interpretation is available. Please contact Community Affairs at 214-749-2543, 48 hours in advance.

Chair - Randall Chrisman
Vice Chair - Terri Adkisson
Members - Scott Carlson, Mark Enoch, Joyce Foreman,
Linda Koop, Robert Pope, Lynn Flint Shaw,
Norma Stanton and Faye Wilkins
Staff Liaison - Doug Allen

mission debt
(results)

Smart Commuter
mortgage
- w/in 2 miles of
dow,
- Town/corridor
- principles road
- Transit pass
+ bringing STR loan

MODE = MEMORY TRANSMISSION

START=JAN-24 15:56

END=JAN-24 15:58

FILE NO.=674

| STN NO. | COMM. | ABBR NO. | STATION NAME/TEL NO. | PAGES | DURATION |
|---------|-------|----------|----------------------|---------|----------|
| 001 | OK | | 912103669422-2653 | 009/009 | 00:01:21 |

-WEITZMAN GROUP -

***** - ***** 2149530866 - *****



THE WEITZMAN GROUP

| |
|---|
| To: Stanley Spigel |
| Company: Spigel Properties |
| Phone: 210.349.3636 |
| Fax: 210.366.9422 |
| From: Kyle Robertson |
| Phone: 214.720.3691 |
| Fax: 214.953.0866 (Alt. Fax: 214.720.6684) |
| Date: January 24, 2005 |

Dallas
 3102 Maple Ave., Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax

Austin
 101 W. 6th Street, Suite 300
 Austin, Texas 78701
 512.482.0084
 512.482.9021 fax

Houston
 1800 Bering Drive, Suite 550
 Houston, Texas 77057
 713.868.8981
 713.781.7119 fax

San Antonio
 70 NE Loop 410, Suite 450
 San Antonio, Texas 78216
 210.366.6050
 210.377.1777 fax

Pages including this cover page: **9**

Visit us at www.WeitzmanGroup.com

Subject: Landcaster Kleist Shopping Center – Partner Resumes

Mr. Spigel,

Please see attached memo and resumes.

Kyle

News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, Cencor Realty Services developed Main Street Village, a Kroger Signature-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantee, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price, prior to sale or lease, or withdrawn without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.



THE WEITZMAN GROUP

| |
|-----------------------------------|
| To: Stanley Spigel |
| Company: Spigel Properties |
| Phone: 210.349.3636 |
| Fax: 210.366.9422 |

| |
|---|
| From: Kyle Robertson |
| Phone: 214.720.3691 |
| Fax: 214.953.0866 (Alt. Fax: 214.720.6684) |
| Date: January 24, 2005 |



Dallas

3102 Maple Ave., Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax



Austin

101 W. 6th Street, Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax



Houston

1800 Bering Drive, Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax



San Antonio

70 NE Loop 410, Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

Pages including this cover page: **9**

Visit us at www.WeitzmanGroup.com

Subject: Landcaster Kiest Shopping Center – Partner Resumes

Mr. Spigel,

Please see attached memo and resumes.

Kyle



News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature**-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with **Cencor** to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that **The Weitzman Group** is leasing in Texas.

The Weitzman Group & Cencor Realty Services: *The Retail Specialists*

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price, prior to sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

Ronald W. Slovacek, CGB

Employment

1986 – 1991 Self Employed Denton, Texas

Carpenter

- Subcontractor for local residential construction companies
- Crew leader

1991-Present RON-SLO, INC. Denton, Texas

Framing Contractor 1991-2001

- Owner of company
- Framed over 50 homes per year
- Light commercial and multifamily
- Over 100 employees and subcontractors

Home Builder, General Contractor, Developer 1996-present

- Owner of company
- Multifamily, single family, commercial
- Land development

Education

1988 – 1991 University of North Texas Denton, Texas

BA/Political Science

- Received E.C. Buell Award in Comparative Politics
- Dean's List

National Association of Home Builders, Home Builders Institute-Certified Graduate Builder

National Association of Home Builders, Home Builders Institute continuing education classes including: Onsite Project Management, Design/Build, Construction Contracts and Law, Customer Service, Estimating, Off-Site Project Management, and Scheduling

National Association of Home Builders, Institute of Residential Marketing training classes including: Certified Sales Professional; Lifestyle Merchandising, Advertising and Promotion Strategies; New Home Sales Management, Strategies, and Training; Marketing Strategies, Plans, and Budgets

Professional memberships

Home Builders Association of Greater Dallas, Board of Directors,
President- Greater Denton Division, Chairman- Retention Committee
Chairman-Membership Committee, member Executive Committee

Texas Association of Builders, Board of Directors

National Association of Builders

Denton Chamber of Commerce, Development Code Review Task Force

City of Denton, Downtown Task Force

Languages

Spanish

Awards received

Home Builders Association of Greater Dallas-Excellence Awards in
Government Relations-2001

Home Builders Association of Greater Dallas-Achievement Award in
Leadership Development-2001

Andrea L. Spencer

- Dallas, TX 75243

Andrea L. Spencer has over 8 years experience in Residential Construction, construction management and Land Development & Acquisition. Ms. Spencer is a graduate of OSU-OKC with a BBS, Computer Science in 1995, and Certification in Construction Management & Technology from Northlake Community College and pursuant to receive Certified Master Builder from Dallas Homebuilders Association. With Ms. Spencer extensive knowledge of development and residential construction her strengths are in Marketing and Business Strategy, Financing and Lending, Design/Build and Procurement/Estimating

Ms. Spencer has recently been apart of a start-up homebuilder since 2002 where she served as Manager of Operations & Sales/Marketing and created and managed the following area:

- Managed over 30 MIL in financing. Created and managed relationships with major banks
- Created and maintained marketing business plan
- Intense Project management - Sales, Accounting and Construction
- Coordinate, design, creation and installation of all sales Models
- Brand awareness in marketing and advertising
- Design/Created Website for company
- Created/Produced all marketing Collateral for advertisement
- Managed budget of over \$136,000 for HotOn Homes.
- Created and Managed all Banking, Payroll and Tax Prep for 18 months
- Manage Insurance and Subcontractor relations
- Start all new homes from finance, Engineering to City Permit
- Schedule all buyer closing with lender and title company
- Decision making process of Purchase of New properties
- Managed all Local, City and State governmental agencies
- Market research and strategies to ensure key positioning for new land packages

Ms. Spencer was also with KB Home as Marketing Manager from 2000 to 2001:

- Project management (all departments)
- Coordinating, design, creation and installation of all sales displays
- Brand awareness in marketing and advertising
- Manage budget/expenditures.
- Set up new communities, permits and relationship with City and Utilities contractors
- Create sales measurements and awards
- Coordinate Co-ops and partnerships relating advertising
- Interface with PR firm to ensure local coverage, press release, advertising
- Manage marketing business plan

Ms. Spencer also at Centex Homes as Land Development Coordinator from 1999 to 2000:

- Prepare, maintain due diligence reports on Land Considered for purchase, Acquisitions and development
- Maintain reports and prepare budgets with Project status
- Prepare bid tabulations, create database with comparisons and cost estimates
- Contract management (Primavera)
- Liaison for land owners and City officials

DEVELOPMENT EXPERIENCE - As of 1-1-2000

KIRBY ALBRIGHT

Kirby Albright has been engaged through different operating companies in the real estate development and construction business in the Dallas Metroplex for over 30 years. Following is a brief summary of his current projects:

- 1) Currently completing development of Benton Woods and Benton Court, a 40 lot upscale residential project of homes in the \$300,000 and up range in Rockwall.
- 2) He is a consultant for the construction of 95 lakefront condominiums on Lake Ray Hubbard, Rockwall, Texas.
- 3) He is a majority owner of a Limited Partnership that is developing a 112 lot phased development - Lakeside Village, Rockwall, Texas.

He was a custom home builder in Dallas and Rockwall, and developed several successful subdivisions beginning with Caribou Estates in the White Rock area of Dallas and also in Rockwall. He developed a twenty acre successful industrial park in Garland, Texas and served as the general contractor for the construction of several manufacturing and office-warehouse buildings. The Walnut Creek Shopping Center in Garland, Texas was owned and operated by his company. During the period of 1973 through 1983 he developed and marketed an 8,000 acre recreational property in the Texas Hill Country. He has had banking experience as he was the founder and served as Chairman of the Board of Directors of the Colonial National Bank in Garland, Texas, until he sold the bank in 1973 to a Bank Holding company at an attractive price.

Personal Financials Contact: Larry Parks, President
American National Bank
2865 Ridge Road
Rockwall, TX 75032
972-771-8361

SUMMARY OF QUALIFICATIONS:

- o Senior executive (Vice President) of 2nd largest credit card financial institution.
- o Entrepreneur in developing and marketing a franchise chain of restaurants.
- o Real estate investor with various properties in Texas (single family homes) and in Florida (beach side condominiums) with prior properties in New York and Colorado.
- o Innovative (United States Patent).

EDUCATIONAL BACKGROUND:

- o Masters of Mechanical Engineering
City College of New York, New York City
Magna Cum Laude
- o Masters of Science in Physics
Cornell University, Ithaca, New York
- o Bachelor of Science in Physics
City College of New York, New York City

PROFESSIONAL EXPERIENCE:

- o Vice President: (August, 1997 – Present)
MBNA Information Services, Dallas, Texas (2nd largest credit card bank)
Manage department of over 30 professional staff with over a \$5 million budget.
- o Technical Lead : (January, 1994-August, 1997)
Goldman, Sachs & Co., New York, New York (Wall Street brokerage firm)
Manage a small team of technical professionals.

BUSINESS EXPERIENCE:

- o Partner, Destinee Enterprises, LLC: (September, 1999-Current)
Owns & operates corporate Wild Over Wings restaurant.
- o Partner, WOW Franchising, LLC: (January, 2001-Current)
Franchisor for Wild Over Wings restaurants with two current franchisee's.

- o Real Estate investor: (1984-Current)
Single family houses & condominiums in Boulder, Colorado (1984-1996)
Single & multi family houses in New York, New York (1992-1998)
Single family houses, Plano, Texas (2003-current)
Beach side condominiums, Sunny Isles, Florida (2003-current)

ACHIEVEMENTS:

- o UNITED STATES PATENT (1987): Developed as an Engineer at IBM.



CITY OF DALLAS

January 14, 2005

Kiest Blvd, LP
13232 Fall Manor Drive
Dallas, Texas 75243

Dear Ms. Spencer
Mr. Slovacek:

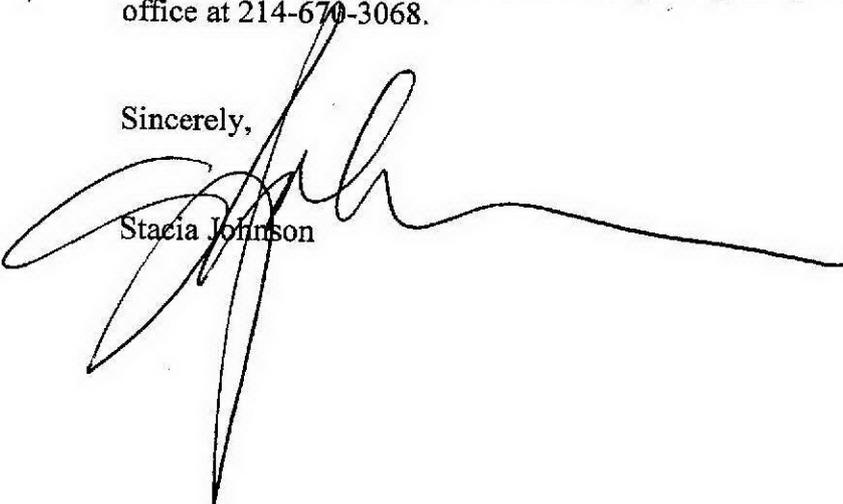
As per your request, I am providing you with the status of your proposal submitted for the City of Dallas's Housing Departments Single-family Bond Program for 2004-2005. The Bond Review committee met on January 6, 2005, and provided a recommendation that your proposal be approved. All recommended proposals will be presented to the Housing and Neighborhood Development committee on January 18, 2005. If there are not outstanding concerns and/ or issues with proposals presented, the HNDC committee (comprised of City Councilpersons) will recommend forwarding these to the full City Council for final approval on February 23, 2005.

Upon approval by the City Council, the department will schedule pre-construction conferences with all developers, to discuss and outline the requirements of the Development Services Department as well as what is required of the Housing Department for contract execution.

Generally, I would want all contracts executed by April, since we provide 180 days from Council approval to begin construction.

If you require additional information regarding this process, please feel free to contact my office at 214-670-3068.

Sincerely,


Stacia Johnson

**Spigel
Properties**
Investments · Real Estate

(210) 349-3636
FAX (210) 366-9422

40 N.E. Loop 410, Suite 102
San Antonio, TX 78216

FAX

| | |
|--|--------------------------------------|
| To: Kyle Robertson | From: Stanley Spigel |
| Fax: (214) 953-0866 | Pages: 3, including fax cover |
| Phone: | Date: 1/21/2005 |
| Re: Lancaster Kiest Shopping Center | |

COMMENTS:

MODE = MEMORY TRANSMISSION

START=JAN-20 12:02

END=JAN-20 12:03

FILE NO.=505

STN NO. COMM. ABBR NO. STATION NAME/TEL NO. PAGES DURATION
 001 OK 6 92146721331 002/002 00:00:21

-WEITZMAN GROUP

***** - ***** - 2149530866- *****



THE WEITZMAN GROUP

| | | |
|----------|---------------------------------------|-------------------------------------|
| To: | Sharon Simmons | |
| Company: | | |
| Phone: | 214.672.1330 | |
| Fax: | 214.672.1331 | |
| From: | Kyle Robertson | Email: krobertson@weitzmangroup.com |
| Phone: | 214.720.3691 | |
| Fax: | 214.953.0866 (Alt. Fax: 214.720.6684) | |
| Date: | January 20, 2005 | |

Dallas
 3102 Maple Ave., Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax

Austin
 101 W. 6th Street, Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax

Houston
 1800 Bering Drive, Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax

San Antonio
 70 NE Loop 410, Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

| | |
|----------------------------------|---|
| Pages including this cover page: | 2 |
|----------------------------------|---|

Visit us at www.WeitzmanGroup.com

Subject: Lancaster Kiest Shopping Center

Sharon... see attached letter from Ron Slovacek to Stanley Spiegel.

Kyle

News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature**-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantee, warranty or representation as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price, prior to sale or lease or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

Kiest General, LLC

Mr. Stanley Spiegel
Donaldson Properties, Ltd.

RE: Lancaster Kiest Shopping Center – Dallas, TX

Mr. Spiegel, we appreciate the attention that's been given in our interest to purchase the Lancaster Kiest Shopping Center. Please find our initial terms that we would like to discuss

TERMS OF PURCHASE

- Purchase Price: \$5,500,000 – Cash payable at closing
- Earnest Money: \$10,000 deposited to Chicago Title – San Antonio, TX
- Survey & Title: Purchaser to deliver as soon as possible with \$2,000 reimbursed by Seller at closing.
- Review of Title: Request a 30 Review Period
- Inspection Period: 120 Day inspection period
- Closing Date: 30 days after initial inspection period
- Extension(s): 30 day extension at \$5,000 after closing date

We look forward to hearing from you soon in this matter. Should you have any questions, feel free to contact our broker Kyle Robertson at 214-720-3691 or myself at 469-231-2825

Best regards,


Ron Slovacek
Kiest General, LLC
1409 South Lamar, Ste. 703
Dallas, TX 75215

cc: Jason Chozick; 210-349-3459

318A Dallas Drive
Denon, TX, 76205
Ph: (940) 243-0845
Fax: (940) 243-0812

DR. LENNARD HOME BUILDERS

Kiest General, LLC

Fax

To: Kyle Robertson From: Ron Slavacek
 Fax: _____ Pages: _____
 Phone: _____ Date: _____
 Re: Terms for ancestor Kiest

- Urgent For Review Please Comment Please Reply Please Recycle

• Comments:

Call me w/ any questions

469-231-2825

Kiest General, LLC

Mr. Stanley Spigel
Donaldson Properties, Ltd.

RE: Lancaster Kiest Shopping Center – Dallas, TX

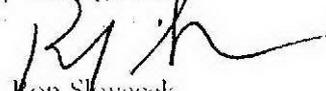
Mr. Spigel, we appreciate the attention that's been given in our interest to purchase Lancaster Kiest Shopping Center. Please find our initial terms that we would like to offer.

TERMS OF PURCHASE

- Purchase Price: \$5,500,000 – Cash payable at closing
- Earnest Money: \$10,000 deposited to Chicago Title – San Antonio
- Survey & Title: Purchaser to deliver as soon as possible with reimbursement by Seller at closing.
- Review of Title: Request a 30 Day Review Period
- Inspection Period: 120 Day inspection period
- Closing Date: 30 days after initial inspection period
- Extension(s): 30 day extension at \$5,000 after closing date

We look forward to hearing from you soon in this matter. Should you have any questions, please feel free to contact our broker Kyle Robertson at 214-720-3691 or myself at 469-469-4691.

Best regards,



Ron Slovacek
Kiest General, LLC
1409 South Lamar, Ste. 703
Dallas, TX 75215

cc: Jason Chozick; 210-349-3459

318A Dallas Drive
Denton, TX, 76205
Ph.: (940) 243-0945
Fax: (940) 243-0812

DILLON

Kies

Fax

To: Kyle Robertson From: Ron S

Fax: _____ Pages: _____

Phone: _____ Date: _____

Re: Terms for ancestor ^{Kiest} cc: _____

Urgent For Review Please Comment Please Reply

• Comments:

Call me w/ any questions
469-231-2825

017 127 2000 10:00 210040400
W. 01 02 10
1000 017 10
Jason W. Chozick

Attorney at Law

2318 N.W. Military Hwy. #204

San Antonio, Texas 78231

(210) 349-3453 • Fax (210) 349-3459

e-mail: JChozick@shcglobal.net

TELECOPY COVER SHEET

Date: January 12, 2005

No of Pages: 13

To: Mr. Kyle Robertson

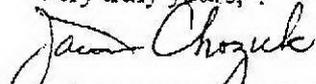
Fax: (214) 953-0866

Re: Lancaster Kiest Shopping Center
Dallas, Texas

Attached is a copy of the proposed Commercial Contract of Sale for the above referenced property containing Mr. Spigel's comments. Mr. Spigel is not willing to sign the Contract until the proposed Purchaser has concluded its inspection of the property within sixty (60) days from the date of a binding letter of intent. The Contract will then be signed at the expiration of the inspection to close within fifteen (15) days after the effective date. If the contract terms are acceptable, Mr. Spigel will enter into the binding letter agreement reciting that the property will not be offered for sale during the sixty (60) day period, and the attached Contract will be an exhibit to the letter agreement.

Please review and contact me so that we may place the Agreement and Letter of Intent into acceptable form for the parties to approve.

Very truly yours,


JASON W. CHOZICK

JWC/abr

Enclosure

cc: Mr. Stanley Spigel

Donaldson Properties, Ltd.

Confidentiality Notice: The information accompanying this facsimile message contains confidential information which is legally privileged and intended only for the use of the recipient named above. Please notify by telephone if you receive this transmission in error so that we can arrange for return of documents to us. If you receive this facsimile in error, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this information is strictly prohibited.

The Weitzman Group

NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS® COMMERCIAL CONTRACT OF SALE

[Check all boxes applicable to this Contract - Boxes not checked do not apply to this Contract]

In consideration of the terms, provisions, covenants and agreements contained in this Commercial Contract of Sale (the "Contract"), each of the parties to this Contract agrees as follows:

1. **PARTIES.** Donaldson Properties, Ltd. ("Seller")
shall sell and convey to Kiest General, LLC and/or assignees ("Purchaser")
and Purchaser shall buy and pay for the Property (defined below).

2. **PROPERTY.** Being a +/- 23 acres of Land and all improvements
with an address of 3050 S. Lancaster Road, Blocks 6075 and
in the City of Dallas Dallas County, Texas, further described as: +/- 23 acres
of land and all improvements located at 3050 S. Lancaster Road, Blocks 6075 and 6076 in the City of Dallas, County of
Dallas, Texas

or as described in Exhibit "A", LEGAL DESCRIPTION and/or shown on Exhibit "B", SITE PLAN, together with, all and singular, all improvements and fixtures situated thereon, and all rights and appurtenances pertaining thereto, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way (such real estate, improvements, fixtures, rights and appurtenances being collectively herein referred to as the "Property").

3. **PURCHASE PRICE.**

The purchase price for the Property is \$5,500,000.00 (the "Purchase Price") payable as follows:

- A. The Purchase Price will be adjusted up or down based upon the land area of the Property as determined by the Survey. The land area will be multiplied by \$ _____ per square foot and the product will become the Purchase Price at Closing. The land area for purposes of determining the Purchase Price will be the gross land area of the Property unless this box is checked, in which case the land area for purposes of determining the Purchase Price will be the Net Land Area (as defined in Section 5A) of the Property.
- B. Cash payable at Closing: \$5,500,000.00
- C. The balance of the Purchase Price will be paid according to the provisions in Addendum B-1, THIRD PARTY FINANCING or Addendum B-2, SELLER FINANCING.

4. **EARNEST MONEY AND TITLE COMPANY ESCROW.**

A. **Earnest Money.** Within two (2) business days after the Effective Date of this Contract, Purchaser shall deposit earnest money in the form of a certified check, cashier's check or wire transfer in the amount of \$10,000.00 (the "Earnest Money") payable to Hexter Fair Title Company, Dallas, Texas
755 E. Mulberry Suite 125, San Antonio, Texas 78212 (Mr. Douglas Beckler) 210-737-8005
(the "Title Company"), in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Contract. Seller's acceptance of this Contract is expressly conditioned upon Purchaser's timely deposit of the Earnest Money with the Title Company. If Purchaser fails to timely deposit the Earnest Money, Seller may, at Seller's option, terminate this Contract by delivering a written termination notice to Purchaser before Purchaser deposits the Earnest Money. The Title Company shall deposit the Earnest Money in one or more fully insured accounts in one or more Federally insured banking or savings institutions. After receipt of necessary tax forms from Purchaser, the Title Company shall deposit the Earnest Money in an interest bearing account unless this box is checked, in which case the Title Company will not be required to deposit the Earnest Money in an interest bearing account. Any interest earned on the Earnest Money will become a part of the Earnest Money. At the Closing, the Earnest Money will be applied to the Purchase Price.

Notwithstanding anything herein to the contrary, a portion of the Earnest Money in the amount of \$100.00 will be non-refundable and will be distributed to Seller upon any termination of this Contract as full payment and independent

consideration for Seller's performance under this Contract. If this Contract is properly terminated by Purchaser pursuant to a right of termination granted to Purchaser by any provision of this Contract, the Earnest Money, less the non-refundable portion, will be promptly returned to Purchaser, and the parties will have no further rights or obligations under this Contract (except for any that, by the explicit provisions of this Contract, expressly survive the termination of this Contract).

B. Escrow. The Earnest Money is deposited with the Title Company with the understanding that the Title Company is not: (1) responsible for the performance or non-performance of any party to this Contract; or (2) liable for interest on the funds except to the extent interest has been earned after the funds have been deposited in an interest bearing account. If both parties make demand for the payment of the Earnest Money, the Title Company has the right to require from all parties and the Brokers (defined below) a written release of liability of the Title Company which authorizes the disbursement of the Earnest Money. If only one party makes demand for payment of the refundable portion of the Earnest Money, the Title Company shall give written notice of the demand to the other party. The Title Company is authorized and directed to honor the demand unless the other party delivers a written objection to the Title Company within ten (10) days after that party receives the written notice from the Title Company.

Purchaser's **5. SURVEY AND TITLE DOCUMENTS.** *Purchaser will have title commitment & survey prior to execution of this contract. Five (5) days.*

A. Survey. As soon as reasonably possible, and in any event within ~~twenty (20)~~ *five (5)* days after the Effective Date, Seller shall, at Seller's expense, deliver or cause to be delivered to Purchaser a copy of a current on-the-ground perimeter survey (the "Survey") of the Property prepared by a Registered Professional Land Surveyor. The Survey must be in a form and of a date reasonably acceptable to Purchaser and to the Title Company, and in acceptable form in order to allow the Title Company to modify the survey exception to read "any shortages in area." The Survey must show the location and size of all of the following on or immediately adjacent to the Property, if any: buildings, building lines, streets, 100-year flood plain, improvements, encroachments, easements, recording information of easements, pavements, protrusions, fences, rights-of-way, and apparent public utilities. The Survey must show the gross land area and, if the Purchase Price is based upon the Net Land Area then the Survey must also show the Net Land Area. The term "Net Land Area" means the gross land area of the Property less the area within utility easements, drainage easements, ingress/egress easements, rights-of-way, 100-year flood plain and any encroachments on the Property. The area within the 100-year flood plain must be as defined by the Federal Emergency Management Agency or other applicable governmental authority. At the Closing, the metes and bounds description of the Property reflected in the Survey will be used in the warranty deed and any other documents requiring a legal description of the Property. *Cost for the survey to the extent of \$2,000.00 shall be reimbursed by Seller only upon closing.*

B. Title Commitment. As soon as reasonably possible, and in any event within ~~ten (10)~~ *five (5)* days after the Effective Date Seller shall, at Seller's expense, deliver or cause to be delivered to Purchaser: (1) A title commitment (the "Title Commitment") covering the Property binding the Title Company to issue a Texas Owner Policy of Title Insurance (the "Title Policy") on the standard form prescribed by the Texas Department of Insurance at the Closing, in the full amount of the Purchase Price, insuring Purchaser's fee simple title to the Property to be good and indefeasible, subject only to the Permitted Exceptions (defined below); and (2) the following (collectively, the "Title Documents"): (a) true and legible copies of all recorded instruments affecting the Property and recited as exceptions in the Title Commitment; (b) a current tax certificate; (c) written notices as required in Section 5C; and (d) if the Property includes any personal property, UCC search reports pertaining to the Seller.

C. Special Assessment Districts. If the Property is situated within a utility district or flood control district subject to the provisions of Section 49.452 of the Texas Water Code, then Seller shall give to Purchaser as part of the Title Documents the required written notice and Purchaser agrees to acknowledge receipt of the notice in writing. The notice must set forth the current tax rate, the current bonded indebtedness and the authorized indebtedness of the district, and must comply with all other applicable requirements of the Texas Water Code. If the Property is subject to mandatory membership in a property owner's association, Seller shall notify Purchaser of the current annual budget of the property owners' association, and the current authorized fees, dues and/or assessments relating to the Property.

D. Abstract. At the time of the execution of this Contract, Purchaser acknowledges that the Brokers have advised and hereby advise Purchaser, by this writing, that Purchaser should have the abstract covering the Property examined by an attorney of Purchaser's own selection or that Purchaser should be furnished with or obtain a policy of title insurance.

E. Notice Regarding Possible Annexation. If the Property that is the subject of this Contract is located outside the limits of a municipality, the Property may now or later be included in the extraterritorial jurisdiction of the municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.

6. REVIEW OF TITLE.

A. Review Period. Purchaser shall have ~~thirty~~ 30 days (the "Title Review Period") after receipt of the last of the Survey, Title Commitment and Title Documents to review them and to deliver in writing to Seller any objections Purchaser may have to them or any item disclosed by them. Any item to which Purchaser does not object will be deemed a "Permitted Exception." Those items the Title Company identifies to be released upon the Closing will be deemed objections by Purchaser. Purchaser's failure to object within the time provided will be a waiver of the right to object. If Purchaser delivers any written objections to Seller within the Title Review Period, then Seller shall make a good faith attempt to cure the objections within ten (10) days (the "Cure Period") after receipt of the objections. However, Seller is not required to incur any cost to do so. Zoning ordinances and the lien for current taxes are deemed to be Permitted Exceptions.

B. Cure Period. If Seller cannot cure the objections within the Cure Period, Seller may deliver a written notice to Purchaser, before expiration of the Cure Period, stating whether Seller is committed to cure the objections at or before the Closing. If Seller does not cure the objections within the Cure Period, or does not timely deliver the notice, or does not commit in the notice to fully cure all of the objections at or before Closing, then Purchaser may terminate this Contract by delivering a written notice to Seller on or before the earlier to occur of: (1) the date which is seven (7) days after the expiration of the Cure Period; or (2) the scheduled Closing Date. If Purchaser properly and timely terminates this Contract, the refundable portion of the Earnest Money will be immediately returned to Purchaser and neither party will have any further rights or obligations under this Contract (except for any that expressly survive the termination). If Purchaser does not properly and timely terminate this Contract, then Purchaser will be deemed to have waived any uncured objections and must accept such title as Seller is able to convey at the Closing. Seller's failure to satisfy Purchaser's objections under this Section 6 does not constitute a default by Seller.

7. SELLER'S REPRESENTATIONS AND WARRANTIES.

A. Statements. Seller represents and warrants to Purchaser, to the best of Seller's knowledge, as follows:

(1) **Title.** At the Closing, Seller will have the right to, and will, convey to Purchaser good and indefeasible fee simple title to the Property free and clear of any and all liens, assessments, easements, security interests and other encumbrances except the Permitted Exceptions. Delivery of the Title Policy pursuant to Section 12 below will be deemed to satisfy the obligation of Seller as to the sufficiency of title required under this Contract. However, delivery of the Title Policy will not release Seller from the warranties of title set forth in the warranty deed.

(2) **Leases.** There are no parties in possession of any portion of the Property as lessees, tenants at sufferance or trespassers except tenants under written leases delivered to Purchaser pursuant to this Contract.

(3) **Negative Covenants.** Seller shall not further encumber the Property or allow an encumbrance upon the title to the Property, or modify the terms or conditions of any existing leases, contracts or encumbrances, if any, without the written consent of Purchaser.

(4) **Liens and Debts.** There are no mechanic's liens, Uniform Commercial Code liens or unrecorded liens against the Property, and Seller shall not allow any such liens to attach to the Property before the Closing that will not be satisfied out of Closing proceeds. All obligations of Seller arising from the ownership and operation of the Property and any business operated on the Property, including, but not limited to, taxes, leasing commissions, salaries, contracts, and similar agreements, have been paid or will be paid before the Closing. Except for obligations for which provisions are made in this Contract for operating at the Closing and any indebtedness taken subject to or assumed, there will be no obligations of Seller with respect to the Property outstanding as of the Closing.

(5) **Litigation.** There is no pending or threatened litigation, condemnation, or assessment affecting the Property. Seller shall promptly advise Purchaser of any litigation, condemnation or assessment affecting the Property that is instituted after the Effective Date.

(6) **Material Defects.** Seller has disclosed to Purchaser any and all known conditions of a material nature with respect to the Property which may affect the health or safety of any occupant of the Property. Except as disclosed in writing by Seller to Purchaser, the Property has no known latent structural defects or construction defects of a material nature, and none of the improvements have been constructed with materials known to be a potential health hazard to occupants of the Property. Purchaser acknowledges that the Brokers have not made any warranty or representation with respect to the condition of the Property or otherwise, and Purchaser is relying solely upon Purchaser's own investigations and the representations of Seller, if any.

(7) **Hazardous Materials.** Except as otherwise disclosed in writing by Seller to Purchaser, the Property (including any improvements) does not contain any Hazardous Materials (defined below). For purposes of this Contract, the term "Hazardous Materials" means any pollutants, toxic substances, oils, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Clean Water Act, as amended, or any other Federal, State or local environmental law, ordinance, rule, or regulation, whether existing as of the Effective Date or subsequently enacted.

B. **Remedies.** If Purchaser discovers, before the Closing, that any of Seller's representations or warranties has been misrepresented or is inaccurate, Purchaser may notify Seller in writing, and Seller ~~shall~~ ^{may} attempt to correct or remedy the misrepresentation or inaccuracy. If the misrepresentation or inaccuracy is not remedied by Seller before the Closing, Purchaser may, by written notice to Seller: (1) proceed to the Closing without waiving any claim for misrepresentation or breach of warranty; (2) delay the Closing, if Seller agrees in writing to the delay, to allow additional time for the misrepresentation or breach of warranty to be remedied; or (3) ~~exercise Purchaser's remedies for default by Seller under this Contract.~~ ^{but shall have no obligation}

8. **NONCONFORMANCE.** Purchaser has or will independently investigate and verify to Purchaser's satisfaction the extent of any limitations of uses of the Property. Purchaser acknowledges that the current use of the Property or the improvements located on the Property (or both) may not conform to applicable Federal, State or municipal laws, ordinances, codes or regulations. Zoning, permitted uses, height limitations, setback requirements, minimum parking requirements, limitations on coverage of improvements to total area of land, Americans with Disabilities Act requirements, wetlands restrictions and other matters may have a significant economic impact upon the intended use of the Property by Purchaser. However, if Seller is aware of pending zoning changes and/or current nonconformance with any Federal, State or local laws, ordinances, codes or regulations, Seller shall disclose same to Purchaser.

9. **INSPECTION. [Check one]**

A. **Inspection Desired.** Purchaser desires to inspect the Property and Seller grants to Purchaser the right to inspect the Property as described in Addendum C, INSPECTION.

B. **Inspection Not Necessary.** Purchaser acknowledges that Purchaser has inspected the Property, including all buildings and improvements thereon, and is thoroughly familiar with their condition, and Purchaser hereby accepts the Property in its present condition, with such changes as may hereafter be caused by normal wear and tear before the Closing, but without waiving Purchaser's rights by virtue of Seller's representations and warranties expressed in this Contract.

10. **CASUALTY LOSS AND CONDEMNATION.**

A. **Damage or Destruction.** All risk of loss to the Property will remain upon Seller before the Closing. If, before the Closing, the Property is damaged or destroyed by fire or other casualty to a Material Extent (defined below), then Purchaser may either terminate this Contract by delivering a written termination notice to Seller or elect to close. If, before the Closing, the Property is damaged by fire or other casualty to less than a Material Extent, the parties shall proceed to Closing as provided in this Contract. If the transaction is to proceed to Closing, despite any damage or destruction, there will be no reduction in the Purchase Price and Seller shall do one of the following: (1) fully repair the damage before the Closing, at Seller's expense; (2) give a credit to Purchaser at the Closing for the entire cost of repairing the Property; or (3) assign to Purchaser all of Seller's right and interest in any insurance proceeds resulting from the damage or destruction, plus give a credit to Purchaser at the Closing in an amount equal to any deductible or other shortfall. The term "Material Extent" means damage or destruction where the cost of repair exceeds ten percent (10%) of the Purchase Price. If the extent of damage or the amount of insurance proceeds to be made available cannot be determined before the Closing Date, or the repairs cannot be completed before the Closing Date, either party may postpone the Closing Date by delivering a written notice to the other party specifying an extended Closing Date which is not more than thirty (30) days after the previously scheduled Closing Date.

B. **Condemnation.** If condemnation proceedings are commenced before Closing against any portion of the Property, then Seller shall immediately notify Purchaser in writing of the condemnation proceedings, and Purchaser may (1) terminate this Contract by delivering a written notice to Seller within ten (10) days after Purchaser receives the notice (and in any event before Closing), in which case the refundable portion of the Earnest Money will be returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination); or (2) appear and defend in the condemnation proceeding, in which case any award in condemnation will, (a) if known as of Closing, belong to Seller and the Purchase Price will be reduced by the same amount, or (b) if not known as of Closing, belong to Purchaser and the Purchase Price will not be reduced.

11. ASSIGNMENT. *[Check one]*

- A. **Limited Assignment Permitted.** Purchaser may assign this Contract only to a related party, defined as: (1) an entity in which Purchaser is an owner, partner or corporate officer; (2) an entity which is owned or controlled by the same person or persons which own or control Purchaser; or (3) a member or members of the immediate family of Purchaser, or a trust in which the beneficiary or beneficiaries is or are a member or members of the immediate family of Purchaser. Purchaser will remain liable under this Contract after any assignment.
- B. **Assignment Prohibited.** Purchaser may not assign this Contract without Seller's prior written consent.
- C. **Assignment Permitted.** Purchaser may assign this Contract provided the assignee assumes in writing all obligations and liabilities of Purchaser under this Contract, in which event Purchaser will be relieved of any further liability under this Contract.

12. CLOSING.

A. **Closing Date.** The closing of the transaction described in this Contract (the "Closing") will be held at 10:00 a.m. at the offices of the Title Company at its address stated below, on the date (the "Closing Date") that is the later of ~~the date~~ ~~(-60)~~ days after the expiration of the Inspection Period (if any); fifteen (15) days after the Effective Date; or May 1, 2005. ~~However, if any objections that were timely made by Purchaser in writing pursuant to Section 6A have not been cured, then either party may postpone the Closing Date by delivering a written notice to the other party specifying an extended Closing Date which is not more than thirty (30) days after the previously scheduled Closing Date.~~

B. **Seller's Closing Obligations.** At the Closing, Seller shall deliver to Purchaser, at Seller's expense:

- (1) A duly executed *[check one]* General Warranty Deed Special Warranty Deed (with Vendor's Lien retained if not a cash purchase) conveying the Property in fee simple according to the legal description prepared by the surveyor as shown on the Survey, subject only to the Permitted Exceptions;
- (2) An updated Title Commitment committing the underwriter for the Title Company to issue promptly after the Closing, at Seller's expense, the Title Policy pursuant to the Title Commitment, subject only to the Permitted Exceptions, in the full amount of the Purchase Price, dated as of the date of the Closing, and (at an additional premium cost) *[check only one if applicable]* with the survey exception modified at Seller's expense to read "any shortages in area," or with the survey exception modified at Purchaser's expense to read "any shortages in area,"
- (3) A Bill of Sale conveying the personal property, if any, including, but not limited to any described on Addendum A, IMPROVED PROPERTY, free and clear of liens, security interests and encumbrances, subject only to the Permitted Exceptions (to the extent applicable);
- (4) Possession of the Property, subject to valid existing leases disclosed by Seller to Purchaser and other applicable Permitted Exceptions;
- (5) A executed assignment ^{and assumption} of all leases, if there are any leases affecting the Property;
- (6) A current rent roll certified by Seller to be complete and accurate, if there are any leases affecting the Property;
- (7) Evidence of Seller's authority and capacity to close this transaction; and
- (8) All other documents reasonably required by the Title Company to close this transaction.

C. **Purchaser's Closing Obligations.** At the Closing, Purchaser shall deliver to Seller, at Purchaser's expense:

- (1) The cash portion of the Purchase Price, with the Earnest Money being applied thereto;
- (2) The Note and the Deed of Trust, if Addendum B-2, SELLER FINANCING, is attached;

(3) An Assumption Agreement ^{of all leases} in recordable form agreeing to pay all commissions payable under any lease of the Property;

(4) Evidence of Purchaser's authority and capacity to close this transaction; and

(5) All other documents reasonably required by the Title Company to close this transaction.

D. **Closing Costs.** Each party shall pay its share of the closing costs which are customarily paid by a seller or purchaser in a transaction of this character in the county where the Property is located, or as otherwise agreed.

E. **Prorations.** ^{Collected prior to closing} Rents, lease commissions, interest, insurance premiums, maintenance expenses, operating expenses, and ad valorem taxes for the year of Closing will be prorated at the Closing effective as of the date of the Closing. Seller shall give a credit to Purchaser at Closing in the aggregate amount of any security deposits deposited by tenants under leases affecting the Property. If the Closing occurs before the tax rate is fixed for the year of the Closing, the apportionment of the taxes will be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation, but any difference between actual and estimated taxes for the year of the Closing actually paid by Purchaser will be adjusted equitably between the parties upon receipt of a written statement of the actual amount of the taxes. This provision will survive the Closing.

F. **Loan Assumption.** If Purchaser assumes an existing mortgage loan at the Closing, Purchaser shall pay: (1) to the lender, any assumption fee charged by the lender; and (2) to Seller, a sum equal to the amount of any reserve accounts held by the lender for the payment of taxes, insurance and any other expenses applicable to the Property for which reserve accounts are held by the lender. Purchaser shall execute, at the option and expense of Seller, a Deed of Trust to Secure Assumption with a trustee named by Seller. If consent to the assumption is required by the lender, Seller shall obtain the lender's consent in writing and deliver the consent to Purchaser at the Closing. If Seller does not obtain the lender's written consent (if required) and deliver it to Purchaser at or before the Closing, Purchaser may terminate this Contract by delivering a written termination notice to Seller whereupon the refundable portion of the Earnest Money will be promptly returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination).

G. **Rollback Taxes.** If this sale or a change in use of the Property or denial of any special use valuation on the Property results in the assessment after Closing of additional taxes applicable to the period of time before the Closing, Seller shall pay to Purchaser the additional taxes plus any penalties and interest immediately upon receipt of a written statement for the taxes, unless this box is checked in which case Purchaser shall pay the additional taxes plus any penalties and interest. This obligation will survive the Closing.

H. **Foreign Person Notification.** If Seller is a Foreign Person, as defined by the Internal Revenue Code, or if Seller fails to deliver to Purchaser a non-foreign affidavit pursuant to Section 1445 of the Internal Revenue Code, then Purchaser may withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the withheld proceeds to the Internal Revenue Service, together with appropriate tax forms. The required affidavit from Seller will include: (1) a statement that Seller is not a foreign person; (2) the U. S. taxpayer identification number of Seller; and (3) any other information required by Section 1445 of the Internal Revenue Code.

13. DEFAULT.

A. **Purchaser's Remedies.** If Seller fails to close this Contract for any reason except Purchaser's default or the termination of this Contract pursuant to a right to terminate set forth in this Contract, Seller will be in default and Purchaser shall elect one of the following, as Purchaser's sole remedy *(check all that may apply)*:

- (1) Enforce specific performance of this Contract;
- (2) Bring suit for damages against Seller;
- (3) Enforce specific performance of this Contract and/or bring suit for damages against Seller; or
- (4) Terminate this Contract and immediately receive the refundable portion of the Earnest Money. If Purchaser elects to terminate this Contract due to Seller's default, then the parties will have no further rights or obligations under this Contract except for Seller's obligation to cause the refundable portion of the Earnest Money to be returned to Purchaser (and except for any that expressly survive the termination).

B. **Seller's Remedies.** If Purchaser fails to close this Contract for any reason except Seller's default or the termination of this Contract pursuant to a right to terminate set forth in this Contract, Purchaser will be in default and Seller shall elect one of the following, as Seller's sole remedy *(check all that may apply)*:

- (1) Enforce specific performance of this Contract;
- (2) Bring suit for damages against Purchaser;
- (3) Enforce specific performance of this Contract and/or bring suit for damages against Purchaser; or
- (4) Terminate this Contract and immediately receive the Earnest Money as liquidated damages for Purchaser's breach of this Contract, thereby releasing Purchaser from this Contract. If Seller terminates this Contract due to Purchaser's default, then the parties will have no further rights or obligations under this Contract except for Purchaser's obligation to cause the Earnest Money to be paid to Seller (and except for any that expressly survive the termination).

14. AGENCY DISCLOSURE.

A. Agency Relationships. The Term "Brokers" refers to the Principal Broker and/or the Cooperating Broker, if applicable, as set forth on the signature page. Each Broker has duties only to the party the Broker represents as identified below. If either Broker is acting as an intermediary, then that Broker will have only the duties of an intermediary, and the intermediary disclosure and consent provisions apply as set forth below. [Each broker check only one]

- (1) The Principal Broker is: agent for Seller only; or agent for Purchaser only; or an intermediary.
- (2) The Cooperating Broker is: agent for Seller only; agent for Purchaser only; or an intermediary.

B. Other Brokers. Seller and Purchaser each represent to the other that they have had no dealings with any person, firm, agent or finder in connection with the negotiation of this Contract and/or the consummation of the purchase and sale contemplated by this Contract, other than the Brokers named in this Contract, and no real estate broker, agent, attorney, person, firm or entity, other than the Brokers is entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of the representing party. Each party agrees to indemnify, defend, protect and hold the other party harmless from and against any costs, expenses or liability for any compensation, commission, fee, or charges which may be claimed by any agent, finder or other similar party, other than the named Brokers, by reason of any dealings or acts of the indemnifying party.

C. Fee Sharing. Seller and Purchaser agree that the Brokers may share the Fee (defined below) among themselves, their sales associates, and any other licensed brokers involved in the sale of the Property. The parties authorize the Title Company to pay the Fee directly to the Principal Broker and, if applicable, the Cooperating Broker, in accordance with Section 15 or any other agreement pertaining to the Fee. Payment of the Fee will not alter the fiduciary relationships between the parties and the Brokers.

D. Intermediary Relationship. If either of the Brokers has indicated in Section 14A above that the Broker is acting as an intermediary in this transaction, then Purchaser and Seller hereby consent to the intermediary relationship, authorize the respective Brokers to act as an intermediary in this transaction, and acknowledge that the source of any expected compensation to the Brokers will be Seller, and the Brokers may also be paid a fee by Purchaser. A real estate broker who acts as an intermediary between parties in a transaction:

- (1) may not disclose to the buyer that the seller will accept a price less than the asking price unless otherwise instructed in a separate writing by the seller;
- (2) may not disclose to the seller that the buyer will pay a price greater than the price submitted in a written offer to the seller unless otherwise instructed in a separate writing by the buyer;
- (3) may not disclose any confidential information or any information a party specifically instructs the real estate broker in writing not to disclose unless otherwise instructed in a separate writing by the respective party or required to disclose such information by the Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property;
- (4) shall treat all parties to the transaction honestly; and
- (5) shall comply with the Texas Real Estate License Act.

Broker is authorized to appoint, by providing written notice to the parties, one or more licensees associated with Broker to communicate with and carry out instructions of one party, and one or more other licensees associated with Broker to communicate with and carry out instructions of the other party or parties. During negotiations, an appointed licensee may provide opinions and advice to the party to whom the licensee is appointed.

15. PROFESSIONAL SERVICE FEE.

A. Payment of Fee. Seller agrees to pay the Brokers a professional service fee (in cash) (the "Fee") for procuring the Purchaser and for assisting in the negotiation of this Contract as follows: Seller shall pay a commission of six percent (6%) of the total Gross Sales Price to The Weitzman Group, sole broker.

one and one half percent (1 1/2%)

The Fee will be ~~due upon the execution of this Contract and will be paid at Closing.~~ *paid only upon closing* The Fee is earned notwithstanding (1) any subsequent termination of this Contract (except a termination by Purchaser pursuant to a right of termination in this Contract); or (2) any default by Seller. If the transaction described in this Contract is not consummated by reason of Purchaser's default and Seller does not elect to enforce specific performance, the Fee will not exceed one-half of the Earnest Money. The Fee will be paid by Seller to the Brokers in the county in which the Property is located. Seller shall pay any applicable sales taxes on the Fee. The Fee will be paid at the Closing of a sale of the Property by Seller pursuant to this Contract (as may be amended or assigned), or in the event of default under this Contract by Seller or Purchaser, within ten (10) days after the scheduled Closing Date. The Title Company or other escrow agent is authorized and directed to pay the Fee to the Brokers out of the Closing proceeds, or if applicable, out of the Earnest Money or any other escrow deposit made pursuant to this Contract.

~~B. Consent Required. Purchaser, Seller and Title Company agree that the Brokers are third party beneficiaries of this Contract with respect to the Fee, and that no change may be made by Purchaser, Seller or Title Company as to the time of payment, amount of payment or the conditions for payment of the Fee without the written consent of the Brokers.~~

~~C. Right to Claim a Lien. Pursuant to Chapter 62 of the Texas Property Code, the Brokers hereby disclose their right to claim a lien based on the commission agreement set forth in this Section 15 and any other commission agreements referenced in this Contract or applicable to the transaction contemplated by this Contract. This disclosure is hereby incorporated in any such commission agreements.~~

16. MISCELLANEOUS PROVISIONS.

A. Effective Date. The "Effective Date" is the date the Title Company acknowledges receipt of this fully executed Contract.

B. Notices. All notices and other communications required or permitted under this Contract must be in writing and will be deemed delivered, whether actually received or not, on the earlier of: (1) actual receipt, if delivered in person or by messenger with evidence of delivery; (2) receipt of an electronic facsimile ("Fax") transmission with confirmation of delivery to the Fax telephone numbers specified below, if any; or (3) upon deposit with the United States Postal Service, certified mail, return receipt requested, postage prepaid, and properly addressed to the intended recipient at the address set forth below. Any party may change its address for notice purposes by delivering written notice of its new address to all other parties in the manner set forth above. Copies of all written notices should also be delivered to the Brokers and to the Title Company, but failure to notify the Brokers or the Title Company will not cause an otherwise properly delivered notice to be ineffective.

C. Termination. If this Contract is terminated for any reason, the obligations of each party under this Contract will terminate, except that: (1) Purchaser shall pay the costs to repair any damage to the Property caused by Purchaser or Purchaser's agents; (2) Purchaser shall return to Seller any reports or documents delivered to Purchaser by Seller; and (3) each party shall perform any other obligations that expressly survive the termination of this Contract. The obligations of this Section 16C will survive the termination of this Contract. The terms of any mutual termination agreement will supersede and control over the provisions of this Section 16C to the extent of any conflict.

D. Forms. In case of a dispute as to the form of any document required under this Contract, the most recent form prepared by the State Bar of Texas, modified as necessary to conform to the requirements of this Contract, will be deemed reasonable.

E. Attorneys Fees. The prevailing party in any legal proceeding brought in relation to this Contract or transaction will be entitled to recover from the non-prevailing parties court costs, reasonable attorneys fees and all other reasonable litigation expenses.

F. Integration. This Contract contains the complete agreement between the parties with respect to the Property and cannot be varied except by written agreement. The parties agree that there are no oral agreements, understandings, representations or warranties made by the parties which are not expressly set forth in this Contract. Any prior written agreements, understandings, representations or warranties between the parties will be deemed merged into and superceded by this Contract, unless it is clear from the written document that the intent of the parties is for the previous written agreement, understanding, representation or warranty to survive the execution of this Contract.

G. Survival. Any warranty, representation, covenant or condition contained in this Contract not otherwise discharged at the Closing will survive the Closing of this transaction.

H. Binding Effect. This Contract will inure to the benefit of, and will be binding upon, the parties to this Contract and their respective heirs, legal representatives, successors and assigns.

I. Time For Performance. Time is of the essence under each provision of this Contract. Strict compliance with the times for performance is required.

J. Right of Entry. After reasonable advance notice and during normal business hours, Purchaser, Purchaser's representatives and the Brokers have the right to enter upon the Property before the Closing for purposes of viewing, inspecting and conducting studies of the Property, so long as they do not unreasonably interfere with the use of the Property by Seller or any tenants, or cause damage to the Property.

K. Business Day. If any date of performance under this Contract falls on a Saturday, Sunday or Texas legal holiday, such date of performance will be deferred to the next day that is not a Saturday, Sunday or Texas legal holiday.

L. Governing Law. This Contract will be construed under and governed by the laws of the State of Texas, and unless otherwise provided in this Contract, all obligations of the parties created under this Contract are to be performed in the county where the Property is located.

M. Severability. If any provision of this Contract is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the invalid, illegal, or unenforceable provision will not affect any other provisions, and this Contract will be construed as if the invalid, illegal, or unenforceable provision is severed and deleted from this Contract.

N. Broker Disclaimer. The Brokers will disclose to Purchaser any material factual knowledge the Brokers may possess about the condition of the Property. Purchaser understands that a real estate broker is not an expert in matters of law, tax, financing, surveying, hazardous materials, engineering, construction, safety, zoning, land planning, architecture, or the Americans with Disabilities Act. Purchaser acknowledges that Purchaser has been advised by the Brokers to seek expert assistance on such matters. The Brokers do not investigate a property's compliance with building codes, governmental ordinances, statutes and laws that relate to the use or condition of the Property or its construction, or that relate to its acquisition. Purchaser is not relying upon any representations of the Brokers concerning permitted uses of the Property or with respect to any nonconformance of the Property. If the Brokers provide names of consultants or sources for advice or assistance, the Brokers do not warrant the services of the advisors or their products and cannot warrant the suitability of property to be acquired. Purchaser acknowledges that current and future federal, state and local laws and regulations may require any Hazardous Materials to be removed at the expense of those persons who may have had or continue to have any interest in the Property. The expense of such removal may be substantial. Purchaser agrees to look solely to experts and professionals selected or approved by Purchaser to advise Purchaser with respect to the condition of the Property and will not hold the Brokers responsible for any Hazardous Materials condition relating to the Property. The Brokers do not warrant that Seller will disclose any or all property defects or other matters pertaining to the Property or its condition. Seller and Purchaser agree to hold the Brokers harmless from any damages, claims, costs and expenses resulting from or related to any party furnishing to the Brokers or Purchaser any false, incorrect or inaccurate information with respect to the Property or Seller's concealing any material information with respect to the condition of the Property. To the extent permitted by applicable law, the Brokers' liability for errors or omissions, negligence, or otherwise, is limited to the return of the Fee, if any, paid to the responsible Broker pursuant to this Contract. In addition, Seller and Purchaser agree to defend and hold the Brokers participating in this transaction harmless from and against any and all liabilities, claims, debts, damages, costs, and expenses including, but not limited to, reasonable attorneys fees and court costs, related to or arising out of or in any way connected to representations about the Property or matters that should be analyzed by experts.

O. Counterparts. This Contract may be executed in a number of identical counterparts. Each counterpart is deemed an original and all counterparts will, collectively, constitute one agreement.

P. Gender; Number. Unless the context requires otherwise, all pronouns used in this Contract will be construed to include the other genders, whether used in the masculine, feminine or neuter gender. Words in the singular number will be construed to include the plural, and words in the plural will be construed to include the singular.

Q. Mediation. If any dispute (the "Dispute") arises between any of the parties to this Contract including, but not limited to, payment of the Fee, then any party (including any Broker) may give written notice to the other parties requiring all involved parties to attempt to resolve the Dispute by mediation. Except in those circumstances where a party reasonably believes that an applicable statute of limitations period is about to expire, or a party requires injunctive or equitable relief, the parties are obligated

to use this mediation procedure before initiating arbitration or any other action. Within seven (7) days after receipt of the mediation notice, each party must deliver a written designation to all other parties stating the names of one or more individuals with authority to resolve the Dispute on such party's behalf. Within fourteen (14) days after receipt of the mediation notice, the parties shall make a good faith effort to select a qualified mediator to mediate the Dispute. If the parties are unable to timely agree upon a mutually acceptable mediator, any party may request JAMS/Endispute or any state or federal district judge to appoint a mediator. In consultation with the mediator, the parties shall promptly designate a mutually convenient time and place for the mediation, that is no later than thirty (30) days after the date the mediator is selected. In the mediation, each party must be represented by persons with authority and discretion to negotiate a resolution of the Dispute, and may be represented by counsel. The mediation will be governed by applicable provisions of Chapter 154 of the Texas Civil Practice and Remedies Code, and such other rules as the mediator may prescribe. The fees and expenses of the mediator will be shared equally by all parties included in the Dispute.

R. Arbitration. If the parties are unable to resolve any Dispute by mediation, then the parties shall submit the Dispute to binding arbitration before a single arbitrator. The Dispute will be decided by arbitration in accordance with the applicable arbitration statute and any rules selected by the arbitrator. After an unsuccessful mediation, any party may initiate the arbitration procedure by delivering a written notice of demand for arbitration to the other parties. Within fourteen (14) days after the receipt of the written notice of demand for arbitration, the parties shall make a good faith effort to select a qualified arbitrator acceptable to all parties. If the parties are unable to agree upon the selection of an arbitrator, then any party may apply to JAMS/Endispute, the American Arbitration Association, or a court of competent jurisdiction to appoint an arbitrator. This agreement to arbitrate will be specifically enforceable under the prevailing arbitration law.

S. Consult an Attorney. This document is an enforceable, legally binding agreement. Read it carefully. The Brokers involved in the negotiation of the transaction described in this Contract cannot give legal advice. The parties to this Contract acknowledge that they have been advised by the Brokers to have this Contract reviewed by legal counsel before signing this Contract.

Purchaser's attorney is: _____

Seller's attorney is: JASON W. CHOZICK
Tel (210) 344-3453 Fax (210) 344-3459

17. ADDITIONAL PROVISIONS. *(Additional provisions may be set forth below or on any attached Addendum.)*

Purchaser agrees that Seller may include this transaction in effectuating an exchange of properties under Section 1031 of the Internal Revenue Code at no additional expense to Purchaser.

18. EXHIBITS AND ADDENDA. All Exhibits and Addenda attached to this Contract are incorporated herein by reference and made a part of this Contract for all purposes *(check all that apply)*:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Exhibit "A" Survey and/or Legal Description | <input type="checkbox"/> Addendum A Improved Property |
| <input type="checkbox"/> Exhibit "B" Site Plan | <input type="checkbox"/> Addendum B-1 Third Party Financing |
| <input type="checkbox"/> Exhibit "C" _____ | <input type="checkbox"/> Addendum B-2 Seller Financing |
| | <input checked="" type="checkbox"/> Addendum C Inspection |
| | <input type="checkbox"/> Addendum D Disclosure Notice |
| | <input type="checkbox"/> Addendum E Lead Based Paint |
| | <input type="checkbox"/> Addendum F Additional Provisions |

19. CONTRACT AS OFFER. The execution of this Contract by the first party to do so constitutes an offer to purchase or sell the Property. Unless, within _____ (_____) days after the date of execution of this Contract by the first party, this Contract is accepted by the other party by signing the offer and delivering a fully executed copy to the first party, the offer of this Contract will be deemed automatically withdrawn, and the Earnest Money, if any, will be promptly returned to Purchaser.

EXECUTED to be effective as of the Effective Date

SELLER

Donaldson Properties, Inc.

By: (Signature) _____
Name: Donaldson Properties, Inc.
Title: _____

By: (Signature) _____
Name: _____
Title: _____

Address: _____

Telephone: _____ Fax: _____

Tax I.D. No: _____

Date of Execution: _____

PURCHASER

Kiest General, LLC and/or assignees

By: (Signature) _____
Name: Kiest General, LLC and/or assignees
Title: _____

By: (Signature) _____
Name: _____
Title: _____

Address: 318A Dallas Drive

Denton, Texas 76205

Telephone: 940-243-0812 Fax: 940-243-0945

Tax I.D. No: _____

Date of Execution: _____

PRINCIPAL BROKER

By: (Signature) _____
Name: _____
Title: _____
Address: _____

Telephone: _____ Fax: _____

TREC License No.: _____

COOPERATING BROKER

The Weitzman Group

By: (Signature) _____
Name: _____
Title: _____

Address: 3102 Maple Ave, Ste 350

Dallas, Texas 75201

Telephone: 214-954-0600 Fax: 214-953-0860

TREC License No.: _____

TITLE COMPANY RECEIPT: The Title Company acknowledges receipt of this Contract on _____ (the Effective Date) and, upon receipt of the Earnest Money, accepts the Earnest Money subject to the terms and conditions set forth in this Contract.

TITLE COMPANY

By: (Signature) _____

Name: _____

Title: _____

Address: _____

Telephone: _____ Fax: _____

PERMISSION TO USE. This form is provided for the use of members of the North Texas Commercial Association of Realtors® Inc. Permission is granted to make limited copies of the current version of this form for use in a particular Texas real estate transaction. Please contact the NTCAR office to confirm you are using the current version of this form. Mass production, or reproduction for resale, is not allowed without express permission.

The Weitzman Group

NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS®

ADDENDUM C TO COMMERCIAL CONTRACT OF SALE

INSPECTION

Property address or description: +/- 23 acres of land and all improvements located at 3050 S. Lancaster Road, Bjo and 6076 in the City of Dallas, Dallas County, Texas

- Amint*
1. **Inspection Period.** Purchaser will have a period of One Hundred Twenty (120) days after the Effective Date (the "Inspection Period") to inspect the Property and conduct studies regarding the Property. Purchaser's studies may include, without limitation: (1) permitted use and zoning of the Property; (2) core borings; (3) environmental and architectural tests and investigations; (4) physical inspections of improvements, fixtures, equipment, subsurface soils, structural members, and personal property; and (5) examination of agreements, manuals, plans, specifications and other documents relating to the construction and condition of the Property. Purchaser and Purchaser's agents, employees, consultants and contractors will have the right of reasonable entry onto the Property during normal business hours, and upon reasonable advance notice to Seller and any tenants on the Property, for purposes of inspections, studies, tests and examinations deemed necessary by Purchaser. The inspections, studies, tests and examinations will be at Purchaser's expense and risk. Purchaser shall defend and indemnify Seller against any claims that arise due to any actions by Purchaser or Purchaser's agents, employees, consultants and contractors.
2. **Reports.**
- A. Within N/A (N/A) days after the Effective Date, Seller shall deliver to Purchaser a written report of an environmental assessment of the Property. The report will be prepared at Seller's expense, by an environmental consultant reasonably acceptable to Purchaser. The environmental assessment must include a "Phase I" investigation into the existence of Hazardous Materials (as defined in Section 7H of this Contract) in, on or around the Property. The environmental assessment must also include a land use history search, engineering inspections, research and studies that may be necessary to discover the existence of Hazardous Materials.
- B. Within ten (10) days after the Effective Date, Seller shall deliver to Purchaser copies of all reports in Seller's possession of engineering investigations, tests and environmental studies that have been made with respect to the Property within the two year period before the Effective Date.
- C. If Purchaser terminates this Contract, Purchaser shall deliver to Seller, at Purchaser's expense and contemporaneously with the termination, copies of all written reports, inspections, plans, drawings and studies made by Purchaser and Purchaser's agents, consultants and contractors. This provision will survive the termination of this Contract.
3. **Termination.** If Purchaser determines, in Purchaser's sole discretion, no matter how arbitrary, that the Property is not satisfactory or is not suitable for Purchaser's intended use or purpose, then Purchaser may terminate this Contract by delivering a written notice to Seller on or before the last day of the Inspection Period, and the refundable portion of the Earnest Money will be promptly returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination).
4. **Acceptance.** If Purchaser does not properly and timely terminate this Contract before the expiration of the Inspection Period (or if Purchaser accepts the Property in writing) then Purchaser will be deemed to have waived all objections to the Property under this Contract, except for any title objections which may be outstanding pursuant to Section 6 of this Contract. In that event, Purchaser agrees to purchase the Property in its current condition without any further representations or warranties of Seller, except any objections which Seller may expressly agree in writing to cure, and this Contract will continue in full force and effect and the parties shall proceed to Closing. This provision does not, however, limit or invalidate any express representations or warranties Seller has made in this Contract.
5. **Restoration.** If the transaction described in this Contract does not close through no fault of Seller, and the condition of the Property was altered due to inspections, studies, tests or examinations performed by Purchaser or on Purchaser's behalf, then Purchaser must restore the Property to its original condition at Purchaser's expense.

Kyle Robertson

From: jchozick@sbcglobal.net
Sent: Wednesday, January 05, 2005 10:00 AM
To: Kyle Robertson
Subject: Lancaster Kiest

Kyle:

Please send a copy of the proposed contract for Lancaster Kiest at your earliest convenience. Thanks. Jason

JASON W. CHOZICK
2318 N.W. Military Hwy., Suite 201
San Antonio, Texas 78231
Tel: (210) 349-3453
Fax: (210) 349-3459

MODE = MEMORY TRANSMISSION

START=DEC-28 16:41

END=DEC-28 16:45

FILE NO.=521

| STN NO. | COMM. | ABBR NO. | STATION NAME/TEL NO. | PAGES | DURATION |
|---------|-------|----------|----------------------|---------|----------|
| 001 | OK | | 912103669422-2653 | 013/013 | 00:03:44 |

-WEITZMAN GROUP

***** - 2149530866- *****



THE WEITZMAN GROUP

| | |
|----------|---|
| To: | Stanley Spiegel |
| Company: | Donaldson Properties, Inc. c/o Spiegel Properties |
| Phone: | 210-349-3636 |
| Fax: | 210-366-9422 |
| From: | Kyle Robertson |
| Date: | December 28, 2004 |

Dallas
3102 Maple Ave.
Suite 350
Dallas, Texas 75201
214.964.0900
214.953.0886 fax

Austin
101 W. 6th Street
Suite 300
Austin, Texas 78701
512.482.0084
512.482.8121 fax

Houston
1800 Bering Drive
Suite 550
Houston, Texas 77057
713.856.9961
713.781.7119 fax

San Antonio
70 NE Loop 410
Suite 450
San Antonio, Texas 78215
210.368.5050
210.377.1777 fax

Pages including this cover page: **13**

Visit us at www.WeitzmanGroup.com

Comments:

Enclosed please find a revised offer. The investors are extremely interested in moving forward on the purchase. Please note that Exhibit A (legal description) needs to be attached.

News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, Cencor Realty Services developed Main Street Village, a Kroger Signature-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with Cencor to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cute Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that The Weitzman Group is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was obtained from sources believed reliable, however, The Weitzman Group makes no guarantee, warranties or representation as to the completeness or accuracy thereof. The effectiveness of this property is intended subject to terms, conditions, change of price, view in take or other to which may be subject without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty company which also does business through its management and development division, Cencor Realty Services.



THE WEITZMAN GROUP

| | |
|-----------------|---|
| To: | Stanley Spiegel |
| Company: | Donaldson Properties, Inc. c/o Spiegel Properties |
| Phone: | 210-349-3636 |
| Fax: | 210-366-9422 |

| | |
|--------------|-------------------|
| From: | Kyle Robertson |
| Date: | December 28, 2004 |

Dallas
 3102 Maple Ave.
 Suite 350
 Dallas, Texas 75201
 214.954.0600
 214.953.0866 fax

Austin
 101 W. 6th Street
 Suite 300
 Austin, Texas 78701
 512.482.0094
 512.482.9021 fax

Houston
 1800 Bering Drive
 Suite 550
 Houston, Texas 77057
 713.868.9961
 713.781.7119 fax

San Antonio
 70 NE Loop 410
 Suite 450
 San Antonio, Texas 78216
 210.366.5050
 210.377.1777 fax

| | |
|----------------------------------|----|
| Pages including this cover page: | 13 |
|----------------------------------|----|

Visit us at www.WeitzmanGroup.com

Comments:

Enclosed please find a revised offer. The investors are extremely interested in moving forward on the purchase. Please note that Exhibit A (legal description) needs to be attached.



News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature**-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with **Cencor** to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that **The Weitzman Group** is leasing in Texas.

The Weitzman Group & Cencor Realty Services: *The Retail Specialists*

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price, prior to sale or lease; or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

The Weitzman Group

NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS® COMMERCIAL CONTRACT OF SALE

[Check all boxes applicable to this Contract - Boxes not checked do not apply to this Contract]

In consideration of the terms, provisions, covenants and agreements contained in this Commercial Contract of Sale (the "Contract"), each of the parties to this Contract agrees as follows:

1. **PARTIES.** Donaldson Properties, Inc. ("Seller") shall sell and convey to Kiest General, LLC and/or assignees ("Purchaser") and Purchaser shall buy and pay for the Property (defined below).

2. **PROPERTY.** Being a +/- 23 acres of Land and all improvements with an address of 3050 S. Lancaster Road, Blocks 6075 and in the City of Dallas, Dallas County, Texas, further described as: +/- 23 acres of land and all improvements located at 3050 S. Lancaster Road, Blocks 6075 and 6076 in the City of Dallas, County of Dallas, Texas

or as described in Exhibit "A", LEGAL DESCRIPTION and/or shown on Exhibit "B", SITE PLAN, together with, all and singular, all improvements and fixtures situated thereon, and all rights and appurtenances pertaining thereto, including any right, title and interest of Seller in and to adjacent streets, alleys, or rights-of-way (such real estate, improvements, fixtures, rights and appurtenances being collectively herein referred to as the "Property").

3. PURCHASE PRICE.

The purchase price for the Property is \$5,500,000.00 (the "Purchase Price"), payable as follows:

- A. The Purchase Price will be adjusted up or down based upon the land area of the Property as determined by the Survey. The land area will be multiplied by \$ _____ per square foot and the product will become the Purchase Price at Closing. The land area for purposes of determining the Purchase Price will be the gross land area of the Property unless this box is checked, in which case the land area for purposes of determining the Purchase Price will be the Net Land Area (as defined in Section 5A) of the Property.
- B. Cash payable at Closing: \$5,500,000.00
- C. The balance of the Purchase Price will be paid according to the provisions in Addendum B-1, THIRD PARTY FINANCING or Addendum B-2, SELLER FINANCING.

4. EARNEST MONEY AND TITLE COMPANY ESCROW.

A. **Earnest Money.** Within two (2) business days after the Effective Date of this Contract, Purchaser shall deposit earnest money in the form of a certified check, cashier's check or wire transfer in the amount of \$ 10,000.00 (the "Earnest Money") payable to Hexter Fair Title Company, Dallas, Texas

(the "Title Company"), in its capacity as escrow agent, to be held in escrow pursuant to the terms of this Contract. Seller's acceptance of this Contract is expressly conditioned upon Purchaser's timely deposit of the Earnest Money with the Title Company. If Purchaser fails to timely deposit the Earnest Money, Seller may, at Seller's option, terminate this Contract by delivering a written termination notice to Purchaser before Purchaser deposits the Earnest Money. The Title Company shall deposit the Earnest Money in one or more fully insured accounts in one or more Federally insured banking or savings institutions. After receipt of necessary tax forms from Purchaser, the Title Company shall deposit the Earnest Money in an interest bearing account unless this box is checked, in which case the Title Company will not be required to deposit the Earnest Money in an interest bearing account. Any interest earned on the Earnest Money will become a part of the Earnest Money. At the Closing, the Earnest Money will be applied to the Purchase Price.

Notwithstanding anything herein to the contrary, a portion of the Earnest Money in the amount of \$100.00 will be non-refundable and will be distributed to Seller upon any termination of this Contract as full payment and independent



consideration for Seller's performance under this Contract. If this Contract is properly terminated by Purchaser pursuant to a right of termination granted to Purchaser by any provision of this Contract, the Earnest Money, less the non-refundable portion, will be promptly returned to Purchaser, and the parties will have no further rights or obligations under this Contract (except for any that, by the explicit provisions of this Contract, expressly survive the termination of this Contract).

B. Escrow. The Earnest Money is deposited with the Title Company with the understanding that the Title Company is not: (1) responsible for the performance or non-performance of any party to this Contract; or (2) liable for interest on the funds except to the extent interest has been earned after the funds have been deposited in an interest bearing account. If both parties make demand for the payment of the Earnest Money, the Title Company has the right to require from all parties and the Brokers (defined below) a written release of liability of the Title Company which authorizes the disbursement of the Earnest Money. If only one party makes demand for payment of the refundable portion of the Earnest Money, the Title Company shall give written notice of the demand to the other party. The Title Company is authorized and directed to honor the demand unless the other party delivers a written objection to the Title Company within ten (10) days after that party receives the written notice from the Title Company.

5. SURVEY AND TITLE DOCUMENTS.

A. Survey. As soon as reasonably possible, and in any event within twenty (20) days after the Effective Date, Seller shall, at Seller's expense, deliver or cause to be delivered to Purchaser a copy of a current on-the-ground perimeter survey (the "Survey") of the Property prepared by a Registered Professional Land Surveyor. The Survey must be in a form and of a date reasonably acceptable to Purchaser and to the Title Company, and in acceptable form in order to allow the Title Company to modify the survey exception to read "any shortages in area." The Survey must show the location and size of all of the following on or immediately adjacent to the Property, if any: buildings, building lines, streets, 100-year flood plain, improvements, encroachments, easements, recording information of easements, pavements, protrusions, fences, rights-of-way, and apparent public utilities. The Survey must show the gross land area and, if the Purchase Price is based upon the Net Land Area then the Survey must also show the Net Land Area. The term "Net Land Area" means the gross land area of the Property less the area within utility easements, drainage easements, ingress/egress easements, rights-of-way, 100-year flood plain and any encroachments on the Property. The area within the 100-year flood plain must be as defined by the Federal Emergency Management Agency or other applicable governmental authority. At the Closing, the metes and bounds description of the Property reflected in the Survey will be used in the warranty deed and any other documents requiring a legal description of the Property.

B. Title Commitment. As soon as reasonably possible, and in any event within twenty (20) days after the Effective Date, Seller shall, at Seller's expense, deliver or cause to be delivered to Purchaser: (1) A title commitment (the "Title Commitment") covering the Property binding the Title Company to issue a Texas Owner Policy of Title Insurance (the "Title Policy") on the standard form prescribed by the Texas Department of Insurance at the Closing, in the full amount of the Purchase Price, insuring Purchaser's fee simple title to the Property to be good and indefeasible, subject only to the Permitted Exceptions (defined below); and (2) the following (collectively, the "Title Documents"): (a) true and legible copies of all recorded instruments affecting the Property and recited as exceptions in the Title Commitment; (b) a current tax certificate; (c) written notices as required in Section 5C; and (d) if the Property includes any personal property, UCC search reports pertaining to the Seller.

C. Special Assessment Districts. If the Property is situated within a utility district or flood control district subject to the provisions of Section 49.452 of the Texas Water Code, then Seller shall give to Purchaser as part of the Title Documents the required written notice and Purchaser agrees to acknowledge receipt of the notice in writing. The notice must set forth the current tax rate, the current bonded indebtedness and the authorized indebtedness of the district, and must comply with all other applicable requirements of the Texas Water Code. If the Property is subject to mandatory membership in a property owner's association, Seller shall notify Purchaser of the current annual budget of the property owners' association, and the current authorized fees, dues and/or assessments relating to the Property.

D. Abstract. At the time of the execution of this Contract, Purchaser acknowledges that the Brokers have advised and hereby advise Purchaser, by this writing, that Purchaser should have the abstract covering the Property examined by an attorney of Purchaser's own selection or that Purchaser should be furnished with or obtain a policy of title insurance.

E. Notice Regarding Possible Annexation. If the Property that is the subject of this Contract is located outside the limits of a municipality, the Property may now or later be included in the extraterritorial jurisdiction of the municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.



6. REVIEW OF TITLE.

A. Review Period. Purchaser shall have Thirty (30) days (the "Title Review Period") after receipt of the last of the Survey, Title Commitment and Title Documents to review them and to deliver in writing to Seller any objections Purchaser may have to them or any item disclosed by them. Any item to which Purchaser does not object will be deemed a "Permitted Exception." Those items the Title Company identifies to be released upon the Closing will be deemed objections by Purchaser. Purchaser's failure to object within the time provided will be a waiver of the right to object. If Purchaser delivers any written objections to Seller within the Title Review Period, then Seller shall make a good faith attempt to cure the objections within ten (10) days (the "Cure Period") after receipt of the objections. However, Seller is not required to incur any cost to do so. Zoning ordinances and the lien for current taxes are deemed to be Permitted Exceptions.

B. Cure Period. If Seller cannot cure the objections within the Cure Period, Seller may deliver a written notice to Purchaser, before expiration of the Cure Period, stating whether Seller is committed to cure the objections at or before the Closing. If Seller does not cure the objections within the Cure Period, or does not timely deliver the notice, or does not commit in the notice to fully cure all of the objections at or before Closing, then Purchaser may terminate this Contract by delivering a written notice to Seller on or before the earlier to occur of: (1) the date which is seven (7) days after the expiration of the Cure Period; or (2) the scheduled Closing Date. If Purchaser properly and timely terminates this Contract, the refundable portion of the Earnest Money will be immediately returned to Purchaser and neither party will have any further rights or obligations under this Contract (except for any that expressly survive the termination). If Purchaser does not properly and timely terminate this Contract, then Purchaser will be deemed to have waived any uncured objections and must accept such title as Seller is able to convey at the Closing. Seller's failure to satisfy Purchaser's objections under this Section 6 does not constitute a default by Seller.

7. SELLER'S REPRESENTATIONS AND WARRANTIES.

A. Statements. Seller represents and warrants to Purchaser, to the best of Seller's knowledge, as follows:

(1) **Title.** At the Closing, Seller will have the right to, and will, convey to Purchaser good and indefeasible fee simple title to the Property free and clear of any and all liens, assessments, easements, security interests and other encumbrances except the Permitted Exceptions. Delivery of the Title Policy pursuant to Section 12 below will be deemed to satisfy the obligation of Seller as to the sufficiency of title required under this Contract. However, delivery of the Title Policy will not release Seller from the warranties of title set forth in the warranty deed.

(2) **Leases.** There are no parties in possession of any portion of the Property as lessees, tenants at sufferance or trespassers except tenants under written leases delivered to Purchaser pursuant to this Contract.

(3) **Negative Covenants.** Seller shall not further encumber the Property or allow an encumbrance upon the title to the Property, or modify the terms or conditions of any existing leases, contracts or encumbrances, if any, without the written consent of Purchaser.

(4) **Liens and Debts.** There are no mechanic's liens, Uniform Commercial Code liens or unrecorded liens against the Property, and Seller shall not allow any such liens to attach to the Property before the Closing that will not be satisfied out of Closing proceeds. All obligations of Seller arising from the ownership and operation of the Property and any business operated on the Property, including, but not limited to, taxes, leasing commissions, salaries, contracts, and similar agreements, have been paid or will be paid before the Closing. Except for obligations for which provisions are made in this Contract for prorating at the Closing and any indebtedness taken subject to or assumed, there will be no obligations of Seller with respect to the Property outstanding as of the Closing.

(5) **Litigation.** There is no pending or threatened litigation, condemnation, or assessment affecting the Property. Seller shall promptly advise Purchaser of any litigation, condemnation or assessment affecting the Property that is instituted after the Effective Date.

(6) **Material Defects.** Seller has disclosed to Purchaser any and all known conditions of a material nature with respect to the Property which may affect the health or safety of any occupant of the Property. Except as disclosed in writing by Seller to Purchaser, the Property has no known latent structural defects or construction defects of a material nature, and none of the improvements have been constructed with materials known to be a potential health hazard to occupants of the Property. Purchaser acknowledges that the Brokers have not made any warranty or representation with respect to the condition of the Property or otherwise, and Purchaser is relying solely upon Purchaser's own investigations and the representations of Seller, if any.

(7) **Hazardous Materials.** Except as otherwise disclosed in writing by Seller to Purchaser, the Property (including any improvements) does not contain any Hazardous Materials (defined below). For purposes of this Contract, the term "**Hazardous Materials**" means any pollutants, toxic substances, oils, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended, the Clean Water Act, as amended, or any other Federal, State or local environmental law, ordinance, rule, or regulation, whether existing as of the Effective Date or subsequently enacted.

B. Remedies. If Purchaser discovers, before the Closing, that any of Seller's representations or warranties has been misrepresented or is inaccurate, Purchaser may notify Seller in writing, and Seller shall attempt to correct or remedy the misrepresentation or inaccuracy. If the misrepresentation or inaccuracy is not remedied by Seller before the Closing, Purchaser may, by written notice to Seller: (1) proceed to the Closing without waiving any claim for misrepresentation or breach of warranty; (2) delay the Closing, if Seller agrees in writing to the delay, to allow additional time for the misrepresentation or breach of warranty to be remedied; or (3) exercise Purchaser's remedies for default by Seller under this Contract.

8. NONCONFORMANCE. Purchaser has or will independently investigate and verify to Purchaser's satisfaction the extent of any limitations of uses of the Property. Purchaser acknowledges that the current use of the Property or the improvements located on the Property (or both) may not conform to applicable Federal, State or municipal laws, ordinances, codes or regulations. Zoning, permitted uses, height limitations, setback requirements, minimum parking requirements, limitations on coverage of improvements to total area of land, Americans with Disabilities Act requirements, wetlands restrictions and other matters may have a significant economic impact upon the intended use of the Property by Purchaser. However, if Seller is aware of pending zoning changes and/or current nonconformance with any Federal, State or local laws, ordinances, codes or regulations, Seller shall disclose same to Purchaser.

9. INSPECTION. [Check one]

A. Inspection Desired. Purchaser desires to inspect the Property and Seller grants to Purchaser the right to inspect the Property as described in Addendum C, INSPECTION.

B. Inspection Not Necessary. Purchaser acknowledges that Purchaser has inspected the Property, including all buildings and improvements thereon, and is thoroughly familiar with their condition, and Purchaser hereby accepts the Property in its present condition, with such changes as may hereafter be caused by normal wear and tear before the Closing, but without waiving Purchaser's rights by virtue of Seller's representations and warranties expressed in this Contract.

10. CASUALTY LOSS AND CONDEMNATION.

A. Damage or Destruction. All risk of loss to the Property will remain upon Seller before the Closing. If, before the Closing, the Property is damaged or destroyed by fire or other casualty to a Material Extent (defined below), then Purchaser may either terminate this Contract by delivering a written termination notice to Seller or elect to close. If, before the Closing, the Property is damaged by fire or other casualty to less than a Material Extent, the parties shall proceed to Closing as provided in this Contract. If the transaction is to proceed to Closing, despite any damage or destruction, there will be no reduction in the Purchase Price and Seller shall do one of the following: (1) fully repair the damage before the Closing, at Seller's expense; (2) give a credit to Purchaser at the Closing for the entire cost of repairing the Property; or (3) assign to Purchaser all of Seller's right and interest in any insurance proceeds resulting from the damage or destruction, plus give a credit to Purchaser at the Closing in an amount equal to any deductible or other shortfall. The term "**Material Extent**" means damage or destruction where the cost of repair exceeds ten percent (10%) of the Purchase Price. If the extent of damage or the amount of insurance proceeds to be made available cannot be determined before the Closing Date, or the repairs cannot be completed before the Closing Date, either party may postpone the Closing Date by delivering a written notice to the other party specifying an extended Closing Date which is not more than thirty (30) days after the previously scheduled Closing Date.

B. Condemnation. If condemnation proceedings are commenced before Closing against any portion of the Property, then Seller shall immediately notify Purchaser in writing of the condemnation proceedings, and Purchaser may: (1) terminate this Contract by delivering a written notice to Seller within ten (10) days after Purchaser receives the notice (and in any event before Closing), in which case the refundable portion of the Earnest Money will be returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination); or (2) appear and defend in the condemnation proceeding, in which case any award in condemnation will, (a) if known as of Closing, belong to Seller and the Purchase Price will be reduced by the same amount, or (b) if not known as of Closing, belong to Purchaser and the Purchase Price will not be reduced.

11. ASSIGNMENT. *[Check one]*

- A. **Limited Assignment Permitted.** Purchaser may assign this Contract only to a related party, defined as: (1) an entity in which Purchaser is an owner, partner or corporate officer; (2) an entity which is owned or controlled by the same person or persons which own or control Purchaser; or (3) a member or members of the immediate family of Purchaser, or a trust in which the beneficiary or beneficiaries is or are a member or members of the immediate family of Purchaser. Purchaser will remain liable under this Contract after any assignment.
- B. **Assignment Prohibited.** Purchaser may not assign this Contract without Seller's prior written consent.
- C. **Assignment Permitted.** Purchaser may assign this Contract provided the assignee assumes in writing all obligations and liabilities of Purchaser under this Contract, in which event Purchaser will be relieved of any further liability under this Contract.

12. CLOSING.

A. **Closing Date.** The closing of the transaction described in this Contract (the "Closing") will be held at 10:00 a.m. at the offices of the Title Company at its address stated below, on the date (the "Closing Date") that is the later of sixty (60) days after the expiration of the Inspection Period (if any); _____ (_____) days after the Effective Date; or _____. However, if any objections that were timely made by Purchaser in writing pursuant to Section 6A have not been cured, then either party may postpone the Closing Date by delivering a written notice to the other party specifying an extended Closing Date which is not more than thirty (30) days after the previously scheduled Closing Date.

B. **Seller's Closing Obligations.** At the Closing, Seller shall deliver to Purchaser, at Seller's expense:

(1) A duly executed *[check one]* General Warranty Deed Special Warranty Deed (with Vendor's Lien retained if not a cash purchase) conveying the Property in fee simple according to the legal description prepared by the surveyor as shown on the Survey, subject only to the Permitted Exceptions;

(2) An updated Title Commitment committing the underwriter for the Title Company to issue promptly after the Closing, at Seller's expense, the Title Policy pursuant to the Title Commitment, subject only to the Permitted Exceptions, in the full amount of the Purchase Price, dated as of the date of the Closing, and (at an additional premium cost) *[check only one if applicable]* with the survey exception modified at Seller's expense to read "any shortages in area," or with the survey exception modified at Purchaser's expense to read "any shortages in area;"

(3) A Bill of Sale conveying the personal property, if any, including, but not limited to any described on Addendum A, IMPROVED PROPERTY, free and clear of liens, security interests and encumbrances, subject only to the Permitted Exceptions (to the extent applicable);

(4) Possession of the Property, subject to valid existing leases disclosed by Seller to Purchaser and other applicable Permitted Exceptions;

(5) A executed assignment of all leases, if there are any leases affecting the Property;

(6) A current rent roll certified by Seller to be complete and accurate, if there are any leases affecting the Property;

(7) Evidence of Seller's authority and capacity to close this transaction; and

(8) All other documents reasonably required by the Title Company to close this transaction.

C. **Purchaser's Closing Obligations.** At the Closing, Purchaser shall deliver to Seller, at Purchaser's expense:

(1) The cash portion of the Purchase Price, with the Earnest Money being applied thereto;

(2) The Note and the Deed of Trust, if Addendum B-2, SELLER FINANCING, is attached;

(3) An Assumption Agreement in recordable form agreeing to pay all commissions payable under any lease of the Property;

(4) Evidence of Purchaser's authority and capacity to close this transaction; and

(5) All other documents reasonably required by the Title Company to close this transaction.

D. Closing Costs. Each party shall pay its share of the closing costs which are customarily paid by a seller or purchaser in a transaction of this character in the county where the Property is located, or as otherwise agreed.

E. Prorations. Rents, lease commissions, interest, insurance premiums, maintenance expenses, operating expenses, and ad valorem taxes for the year of Closing will be prorated at the Closing effective as of the date of the Closing. Seller shall give a credit to Purchaser at Closing in the aggregate amount of any security deposits deposited by tenants under leases affecting the Property. If the Closing occurs before the tax rate is fixed for the year of the Closing, the apportionment of the taxes will be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation, but any difference between actual and estimated taxes for the year of the Closing actually paid by Purchaser will be adjusted equitably between the parties upon receipt of a written statement of the actual amount of the taxes. This provision will survive the Closing.

F. Loan Assumption. If Purchaser assumes an existing mortgage loan at the Closing, Purchaser shall pay: (1) to the lender, any assumption fee charged by the lender; and (2) to Seller, a sum equal to the amount of any reserve accounts held by the lender for the payment of taxes, insurance and any other expenses applicable to the Property for which reserve accounts are held by the lender. Purchaser shall execute, at the option and expense of Seller, a Deed of Trust to Secure Assumption with a trustee named by Seller. If consent to the assumption is required by the lender, Seller shall obtain the lender's consent in writing and deliver the consent to Purchaser at the Closing. If Seller does not obtain the lender's written consent (if required) and deliver it to Purchaser at or before the Closing, Purchaser may terminate this Contract by delivering a written termination notice to Seller whereupon the refundable portion of the Earnest Money will be promptly returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination).

G. Rollback Taxes. If this sale or a change in use of the Property or denial of any special use valuation on the Property results in the assessment after Closing of additional taxes applicable to the period of time before the Closing, Seller shall pay to Purchaser the additional taxes plus any penalties and interest immediately upon receipt of a written statement for the taxes, unless this box is checked in which case Purchaser shall pay the additional taxes plus any penalties and interest. This obligation will survive the Closing.

H. Foreign Person Notification. If Seller is a Foreign Person, as defined by the Internal Revenue Code, or if Seller fails to deliver to Purchaser a non-foreign affidavit pursuant to Section 1445 of the Internal Revenue Code, then Purchaser may withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the withheld proceeds to the Internal Revenue Service, together with appropriate tax forms. The required affidavit from Seller will include: (1) a statement that Seller is not a foreign person; (2) the U. S. taxpayer identification number of Seller; and (3) any other information required by Section 1445 of the Internal Revenue Code.

13. DEFAULT.

A. Purchaser's Remedies. If Seller fails to close this Contract for any reason except Purchaser's default or the termination of this Contract pursuant to a right to terminate set forth in this Contract, Seller will be in default and Purchaser shall elect one of the following, as Purchaser's sole remedy *[check all that may apply]*:

- (1) Enforce specific performance of this Contract;
- (2) Bring suit for damages against Seller;
- (3) Enforce specific performance of this Contract and/or bring suit for damages against Seller; or
- (4) Terminate this Contract and immediately receive the refundable portion of the Earnest Money. If Purchaser elects to terminate this Contract due to Seller's default, then the parties will have no further rights or obligations under this Contract except for Seller's obligation to cause the refundable portion of the Earnest Money to be returned to Purchaser (and except for any that expressly survive the termination).

B. Seller's Remedies. If Purchaser fails to close this Contract for any reason except Seller's default or the termination of this Contract pursuant to a right to terminate set forth in this Contract, Purchaser will be in default and Seller shall elect one of the following, as Seller's sole remedy *[check all that may apply]*:

- (1) Enforce specific performance of this Contract;
- (2) Bring suit for damages against Purchaser;
- (3) Enforce specific performance of this Contract and/or bring suit for damages against Purchaser; or
- (4) Terminate this Contract and immediately receive the Earnest Money as liquidated damages for Purchaser's breach of this Contract, thereby releasing Purchaser from this Contract. If Seller terminates this Contract due to Purchaser's default, then the parties will have no further rights or obligations under this Contract except for Purchaser's obligation to cause the Earnest Money to be paid to Seller (and except for any that expressly survive the termination).

14. AGENCY DISCLOSURE.

A. Agency Relationships. The Term "Brokers" refers to the Principal Broker and/or the Cooperating Broker, if applicable, as set forth on the signature page. Each Broker has duties only to the party the Broker represents as identified below. If either Broker is acting as an intermediary, then that Broker will have only the duties of an intermediary, and the intermediary disclosure and consent provisions apply as set forth below. *[Each broker check only one]*

- (1) The Principal Broker is: agent for Seller only; or agent for Purchaser only; or an intermediary.
- (2) The Cooperating Broker is: agent for Seller only; agent for Purchaser only; or an intermediary.

B. Other Brokers. Seller and Purchaser each represent to the other that they have had no dealings with any person, firm, agent or finder in connection with the negotiation of this Contract and/or the consummation of the purchase and sale contemplated by this Contract, other than the Brokers named in this Contract, and no real estate broker, agent, attorney, person, firm or entity, other than the Brokers is entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of the representing party. Each party agrees to indemnify, defend, protect and hold the other party harmless from and against any costs, expenses or liability for any compensation, commission, fee, or charges which may be claimed by any agent, finder or other similar party, other than the named Brokers, by reason of any dealings or acts of the indemnifying party.

C. Fee Sharing. Seller and Purchaser agree that the Brokers may share the Fee (defined below) among themselves, their sales associates, and any other licensed brokers involved in the sale of the Property. The parties authorize the Title Company to pay the Fee directly to the Principal Broker and, if applicable, the Cooperating Broker, in accordance with Section 15 or any other agreement pertaining to the Fee. Payment of the Fee will not alter the fiduciary relationships between the parties and the Brokers.

D. Intermediary Relationship. If either of the Brokers has indicated in Section 14A above that the Broker is acting as an intermediary in this transaction, then Purchaser and Seller hereby consent to the intermediary relationship, authorize the respective Brokers to act as an intermediary in this transaction, and acknowledge that the source of any expected compensation to the Brokers will be Seller, and the Brokers may also be paid a fee by Purchaser. A real estate broker who acts as an intermediary between parties in a transaction:

- (1) may not disclose to the buyer that the seller will accept a price less than the asking price unless otherwise instructed in a separate writing by the seller;
- (2) may not disclose to the seller that the buyer will pay a price greater than the price submitted in a written offer to the seller unless otherwise instructed in a separate writing by the buyer;
- (3) may not disclose any confidential information or any information a party specifically instructs the real estate broker in writing not to disclose unless otherwise instructed in a separate writing by the respective party or required to disclose such information by the Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property;
- (4) shall treat all parties to the transaction honestly; and
- (5) shall comply with the Texas Real Estate License Act.

Broker is authorized to appoint, by providing written notice to the parties, one or more licensees associated with Broker to communicate with and carry out instructions of one party, and one or more other licensees associated with Broker to communicate with and carry out instructions of the other party or parties. During negotiations, an appointed licensee may provide opinions and advice to the party to whom the licensee is appointed.



15. PROFESSIONAL SERVICE FEE

A. Payment of Fee. Seller agrees to pay the Brokers a professional service fee (in cash) (the "Fee") for procuring the Purchaser and for assisting in the negotiation of this Contract as follows: Seller shall pay a commission of six percent (6%) of the total Gross Sales Price to The Weitzman Group, sole broker.

The Fee will be earned upon the execution of this Contract and will be paid at Closing. The Fee is earned notwithstanding: (1) any subsequent termination of this Contract (except a termination by Purchaser pursuant to a right of termination in this Contract); or (2) any default by Seller. If the transaction described in this Contract is not consummated by reason of Purchaser's default and Seller does not elect to enforce specific performance, the Fee will not exceed one-half of the Earnest Money. The Fee will be paid by Seller to the Brokers in the county in which the Property is located. Seller shall pay any applicable sales taxes on the Fee. The Fee will be paid at the Closing of a sale of the Property by Seller pursuant to this Contract (as may be amended or assigned), or in the event of default under this Contract by Seller or Purchaser, within ten (10) days after the scheduled Closing Date. The Title Company or other escrow agent is authorized and directed to pay the Fee to the Brokers out of the Closing proceeds or, if applicable, out of the Earnest Money or any other escrow deposit made pursuant to this Contract.

B. Consent Required. Purchaser, Seller and Title Company agree that the Brokers are third party beneficiaries of this Contract with respect to the Fee, and that no change may be made by Purchaser, Seller or Title Company as to the time of payment, amount of payment or the conditions for payment of the Fee without the written consent of the Brokers.

C. Right to Claim a Lien. Pursuant to Chapter 62 of the Texas Property Code, the Brokers hereby disclose their right to claim a lien based on the commission agreement set forth in this Section 15 and any other commission agreements referenced in this Contract or applicable to the transaction contemplated by this Contract. This disclosure is hereby incorporated in any such commission agreements.

16. MISCELLANEOUS PROVISIONS.

A. Effective Date. The "Effective Date" is the date the Title Company acknowledges receipt of this fully executed Contract.

B. Notices. All notices and other communications required or permitted under this Contract must be in writing and will be deemed delivered, whether actually received or not, on the earlier of: (1) actual receipt, if delivered in person or by messenger with evidence of delivery; ~~(2) receipt of an electronic facsimile ("Fax") transmission with confirmation of delivery to the Fax telephone numbers specified below, if any;~~ or (3) upon deposit with the United States Postal Service, certified mail, return receipt requested, postage prepaid, and properly addressed to the intended recipient at the address set forth below. Any party may change its address for notice purposes by delivering written notice of its new address to all other parties in the manner set forth above. Copies of all written notices should also be delivered to the Brokers and to the Title Company, but failure to notify the Brokers or the Title Company will not cause an otherwise properly delivered notice to be ineffective.

C. Termination. If this Contract is terminated for any reason, the obligations of each party under this Contract will terminate, except that: (1) Purchaser shall pay the costs to repair any damage to the Property caused by Purchaser or Purchaser's agents; (2) Purchaser shall return to Seller any reports or documents delivered to Purchaser by Seller; and (3) each party shall perform any other obligations that expressly survive the termination of this Contract. The obligations of this Section 16C will survive the termination of this Contract. The terms of any mutual termination agreement will supersede and control over the provisions of this Section 16C to the extent of any conflict.

D. Forms. In case of a dispute as to the form of any document required under this Contract, the most recent form prepared by the State Bar of Texas, modified as necessary to conform to the requirements of this Contract, will be deemed reasonable.

E. Attorneys Fees. The prevailing party in any legal proceeding brought in relation to this Contract or transaction will be entitled to recover from the non-prevailing parties court costs, reasonable attorneys fees and all other reasonable litigation expenses.

F. Integration. This Contract contains the complete agreement between the parties with respect to the Property and cannot be varied except by written agreement. The parties agree that there are no oral agreements, understandings, representations or warranties made by the parties which are not expressly set forth in this Contract. Any prior written agreements, understandings, representations or warranties between the parties will be deemed merged into and superceded by this Contract, unless it is clear from the written document that the intent of the parties is for the previous written agreement, understanding, representation or warranty to survive the execution of this Contract.

G. Survival. Any warranty, representation, covenant or condition contained in this Contract not otherwise discharged at the Closing will survive the Closing of this transaction.

H. Binding Effect. This Contract will inure to the benefit of, and will be binding upon, the parties to this Contract and their respective heirs, legal representatives, successors and assigns.

I. Time For Performance. Time is of the essence under each provision of this Contract. Strict compliance with the times for performance is required.

J. Right of Entry. After reasonable advance notice and during normal business hours, Purchaser, Purchaser's representatives and the Brokers have the right to enter upon the Property before the Closing for purposes of viewing, inspecting and conducting studies of the Property, so long as they do not unreasonably interfere with the use of the Property by Seller or any tenants, or cause damage to the Property.

K. Business Day. If any date of performance under this Contract falls on a Saturday, Sunday or Texas legal holiday, such date of performance will be deferred to the next day that is not a Saturday, Sunday or Texas legal holiday.

L. Governing Law. This Contract will be construed under and governed by the laws of the State of Texas, and unless otherwise provided in this Contract, all obligations of the parties created under this Contract are to be performed in the county where the Property is located.

M. Severability. If any provision of this Contract is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the invalid, illegal, or unenforceable provision will not affect any other provisions, and this Contract will be construed as if the invalid, illegal, or unenforceable provision is severed and deleted from this Contract.

N. Broker Disclaimer. The Brokers will disclose to Purchaser any material factual knowledge the Brokers may possess about the condition of the Property. Purchaser understands that a real estate broker is not an expert in matters of law, tax, financing, surveying, hazardous materials, engineering, construction, safety, zoning, land planning, architecture, or the Americans with Disabilities Act. Purchaser acknowledges that Purchaser has been advised by the Brokers to seek expert assistance on such matters. The Brokers do not investigate a property's compliance with building codes, governmental ordinances, statutes and laws that relate to the use or condition of the Property or its construction, or that relate to its acquisition. Purchaser is not relying upon any representations of the Brokers concerning permitted uses of the Property or with respect to any nonconformance of the Property. If the Brokers provide names of consultants or sources for advice or assistance, the Brokers do not warrant the services of the advisors or their products and cannot warrant the suitability of property to be acquired. Purchaser acknowledges that current and future federal, state and local laws and regulations may require any Hazardous Materials to be removed at the expense of those persons who may have had or continue to have any interest in the Property. The expense of such removal may be substantial. Purchaser agrees to look solely to experts and professionals selected or approved by Purchaser to advise Purchaser with respect to the condition of the Property and will not hold the Brokers responsible for any Hazardous Materials condition relating to the Property. The Brokers do not warrant that Seller will disclose any or all property defects or other matters pertaining to the Property or its condition. Seller and Purchaser agree to hold the Brokers harmless from any damages, claims, costs and expenses resulting from or related to any party furnishing to the Brokers or Purchaser any false, incorrect or inaccurate information with respect to the Property or Seller's concealing any material information with respect to the condition of the Property. To the extent permitted by applicable law, the Brokers' liability for errors or omissions, negligence, or otherwise, is limited to the return of the Fee, if any, paid to the responsible Broker pursuant to this Contract. In addition, Seller and Purchaser agree to defend and hold the Brokers participating in this transaction harmless from and against any and all liabilities, claims, debts, damages, costs, and expenses including, but not limited to, reasonable attorneys fees and court costs, related to or arising out of or in any way connected to representations about the Property or matters that should be analyzed by experts.

O. Counterparts. This Contract may be executed in a number of identical counterparts. Each counterpart is deemed an original and all counterparts will, collectively, constitute one agreement.

P. Gender; Number. Unless the context requires otherwise, all pronouns used in this Contract will be construed to include the other genders, whether used in the masculine, feminine or neuter gender. Words in the singular number will be construed to include the plural, and words in the plural will be construed to include the singular.

Q. Mediation. If any dispute (the "Dispute") arises between any of the parties to this Contract including, but not limited to, payment of the Fee, then any party (including any Broker) may give written notice to the other parties requiring all involved parties to attempt to resolve the Dispute by mediation. Except in those circumstances where a party reasonably believes that an applicable statute of limitations period is about to expire, or a party requires injunctive or equitable relief, the parties are obligated

to use this mediation procedure before initiating arbitration or any other action. Within seven (7) days after receipt of the mediation notice, each party must deliver a written designation to all other parties stating the names of one or more individuals with authority to resolve the Dispute on such party's behalf. Within fourteen (14) days after receipt of the mediation notice, the parties shall make a good faith effort to select a qualified mediator to mediate the Dispute. If the parties are unable to timely agree upon a mutually acceptable mediator, any party may request JAMS/Endispute or any state or federal district judge to appoint a mediator. In consultation with the mediator, the parties shall promptly designate a mutually convenient time and place for the mediation, that is no later than thirty (30) days after the date the mediator is selected. In the mediation, each party must be represented by persons with authority and discretion to negotiate a resolution of the Dispute, and may be represented by counsel. The mediation will be governed by applicable provisions of Chapter 154 of the Texas Civil Practice and Remedies Code, and such other rules as the mediator may prescribe. The fees and expenses of the mediator will be shared equally by all parties included in the Dispute.

R. Arbitration. If the parties are unable to resolve any Dispute by mediation, then the parties shall submit the Dispute to binding arbitration before a single arbitrator. The Dispute will be decided by arbitration in accordance with the applicable arbitration statute and any rules selected by the arbitrator. After an unsuccessful mediation, any party may initiate the arbitration procedure by delivering a written notice of demand for arbitration to the other parties. Within fourteen (14) days after the receipt of the written notice of demand for arbitration, the parties shall make a good faith effort to select a qualified arbitrator acceptable to all parties. If the parties are unable to agree upon the selection of an arbitrator, then any party may apply to JAMS/Endispute, the American Arbitration Association, or a court of competent jurisdiction to appoint an arbitrator. This agreement to arbitrate will be specifically enforceable under the prevailing arbitration law.

S. Consult an Attorney. This document is an enforceable, legally binding agreement. Read it carefully. The Brokers involved in the negotiation of the transaction described in this Contract cannot give legal advice. The parties to this Contract acknowledge that they have been advised by the Brokers to have this Contract reviewed by legal counsel before signing this Contract.

Purchaser's attorney is: _____

Seller's attorney is: _____

17. ADDITIONAL PROVISIONS. *[Additional provisions may be set forth below or on any attached Addendum].*

18. EXHIBITS AND ADDENDA. All Exhibits and Addenda attached to this Contract are incorporated herein by reference and made a part of this Contract for all purposes *[check all that apply]*:

- Exhibit "A" Survey and/or Legal Description
- Exhibit "B" Site Plan
- Exhibit "C" _____

- Addendum A Improved Property
- Addendum B-1 Third Party Financing
- Addendum B-2 Seller Financing
- Addendum C Inspection
- Addendum D Disclosure Notice
- Addendum E Lead Based Paint
- Addendum F Additional Provisions

19. **CONTRACT AS OFFER.** The execution of this Contract by the first party do so constitutes an offer to purchase or sell the Property. Unless, within _____ (____) days after the date of execution of this Contract by the first party, this Contract is accepted by the other party by signing the offer and delivering a fully executed copy to the first party, the offer of this Contract will be deemed automatically withdrawn, and the Earnest Money, if any, will be promptly returned to Purchaser.

EXECUTED to be effective as of the Effective Date.

SELLER

Donaldson Properties, Inc.

By: (Signature) _____
Name: Donaldson Properties, Inc.
Title: _____

By: (Signature) _____
Name: _____
Title: _____

Address: _____

Telephone: _____ Fax: _____

Tax I.D. No.: _____

Date of Execution: _____

PRINCIPAL BROKER

By: (Signature) _____
Name: _____
Title: _____
Address: _____

Telephone: _____ Fax: _____

TREC License No.: _____

PURCHASER

Kiest General, LLC and/or assignees

By: (Signature) [Signature]
Name: Kiest General, LLC and/or assignees
Title: _____

By: (Signature) _____
Name: _____
Title: _____

Address: 318A Dallas Drive
Denton, Texas 76205

Telephone: 940-243-0812 Fax: 940-243-0945

Tax I.D. No.: _____

Date of Execution: 12-28-04

COOPERATING BROKER

The Weitzman Group

By: (Signature) _____
Name: Amanda Hensley
Title: _____
Address: 3102 Maple Ave, Ste 350
Dallas, Texas 75201

Telephone: 214-954-0600 Fax: 214-953-0860

TREC License No.: _____

TITLE COMPANY RECEIPT: The Title Company acknowledges receipt of this Contract on _____ (the Effective Date) and, upon receipt of the Earnest Money, accepts the Earnest Money subject to the terms and conditions set forth in this Contract.

TITLE COMPANY

By: (Signature) _____
Name: _____
Title: _____

Address: _____

Telephone: _____ Fax: _____

PERMISSION TO USE: This form is provided for the use of members of the North Texas Commercial Association of Realtors®, Inc. Permission is granted to make limited copies of the current version of this form for use in a particular Texas real estate transaction. Please contact the NTCAR office to confirm you are using the current version of this form. Mass production, or reproduction for resale, is not allowed without express permission.

The Weitzman Group

NORTH TEXAS COMMERCIAL ASSOCIATION OF REALTORS®

ADDENDUM C TO COMMERCIAL CONTRACT OF SALE

INSPECTION

Property address or description: +/- 23 acres of land and all improvements located at 3050 S. Lancaster Road, Blo and 6076 in the City of Dallas, Dallas County, Texas

1. **Inspection Period.** Purchaser will have a period of One Hundred Twenty (120) days after the Effective Date (the "**Inspection Period**") to inspect the Property and conduct studies regarding the Property. Purchaser's studies may include, without limitation: (1) permitted use and zoning of the Property; (2) core borings; (3) environmental and architectural tests and investigations; (4) physical inspections of improvements, fixtures, equipment, subsurface soils, structural members, and personal property; and (5) examination of agreements, manuals, plans, specifications and other documents relating to the construction and condition of the Property. Purchaser and Purchaser's agents, employees, consultants and contractors will have the right of reasonable entry onto the Property during normal business hours, and upon reasonable advance notice to Seller and any tenants on the Property, for purposes of inspections, studies, tests and examinations deemed necessary by Purchaser. The inspections, studies, tests and examinations will be at Purchaser's expense and risk. Purchaser shall defend and indemnify Seller against any claims that arise due to any actions by Purchaser or Purchaser's agents, employees, consultants and contractors.
2. **Reports.**
 - A. Within N/A (N/A) days after the Effective Date, Seller shall deliver to Purchaser a written report of an environmental assessment of the Property. The report will be prepared, at Seller's expense, by an environmental consultant reasonably acceptable to Purchaser. The environmental assessment must include a "**Phase I**" investigation into the existence of Hazardous Materials (as defined in Section 7H of this Contract) in, on or around the Property. The environmental assessment must also include a land use history search, engineering inspections, research and studies that may be necessary to discover the existence of Hazardous Materials.
 - B. Within ten (10) days after the Effective Date, Seller shall deliver to Purchaser copies of all reports in Seller's possession of engineering investigations, tests and environmental studies that have been made with respect to the Property within the two year period before the Effective Date.
 - C. If Purchaser terminates this Contract, Purchaser shall deliver to Seller, at Purchaser's expense and contemporaneously with the termination, copies of all written reports, inspections, plats, drawings and studies made by Purchaser and Purchaser's agents, consultants and contractors. This provision will survive the termination of this Contract.
3. **Termination.** If Purchaser determines, in Purchaser's sole discretion, no matter how arbitrary, that the Property is not satisfactory or is not suitable for Purchaser's intended use or purpose, then Purchaser may terminate this Contract by delivering a written notice to Seller on or before the last day of the Inspection Period, and the refundable portion of the Earnest Money will be promptly returned to Purchaser and the parties will have no further rights or obligations under this Contract (except for any that expressly survive the termination).
4. **Acceptance.** If Purchaser does not properly and timely terminate this Contract before the expiration of the Inspection Period (or if Purchaser accepts the Property in writing) then Purchaser will be deemed to have waived all objections to the Property under this Contract, except for any title objections which may be outstanding pursuant to Section 6 of this Contract. In that event, Purchaser agrees to purchase the Property in its current condition without any further representations or warranties of Seller, except any objections which Seller may expressly agree in writing to cure, and this Contract will continue in full force and effect and the parties shall proceed to Closing. This provision does not, however, limit or invalidate any express representations or warranties Seller has made in this Contract.
5. **Restoration.** If the transaction described in this Contract does not close through no fault of Seller, and the condition of the Property was altered due to inspections, studies, tests or examinations performed by Purchaser or on Purchaser's behalf, then Purchaser must restore the Property to its original condition at Purchaser's expense.



THE WEITZMAN GROUP

| |
|---|
| To: Ronald Slovacek |
| Company: |
| Phone: |
| Fax: 940.243.0945 |
| From: Kyle Robertson |
| Phone: 214.720.3691 |
| Fax: 214.953.0866 (Alt. Fax: 214.720.6684) |
| Date: December 16, 2004 |

Dallas

3102 Maple Ave., Suite 350
Dallas, Texas 75201
214.954.0600
214.953.0866 fax

Austin

101 W. 6th Street, Suite 300
Austin, Texas 78701
512.482.0094
512.482.9021 fax

Houston

1800 Bering Drive, Suite 550
Houston, Texas 77057
713.868.9961
713.781.7119 fax

San Antonio

70 NE Loop 410, Suite 450
San Antonio, Texas 78216
210.366.5050
210.377.1777 fax

| | |
|----------------------------------|------------------|
| Pages including this cover page: | 16 20 |
|----------------------------------|------------------|

Visit us at www.WeitzmanGroup.com

Subject: Landcaster Kiest Shopping Center – Demographics

As you requested, attached are demographics for the intersection of Kiest Boulevard and Landcaster Road.

Kyle



News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a **Kroger Signature**-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with **Cencor** to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that **The Weitzman Group** is leasing in Texas.

The Weitzman Group & Cencor Realty Services: *The Retail Specialists*

The information contained herein was obtained from sources believed reliable; however, The Weitzman Group makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors; omissions; change of price, prior to sale or lease; or withdrawal without notice. The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

Pop-Facts: Demographic Quick Facts

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd
 DALLAS, TX 75216
 Prepared By: The Weitzman Group

Latitude: 32.708473
 Longitude -96.802048

| Description | Kiest Blvd at Lancaster Rd Radius 1.0 | | Kiest Blvd at Lancaster Rd Radius 3.0 | | Kiest Blvd at Lancaster Rd Radius 5.0 | |
|---|---------------------------------------|--------|---------------------------------------|--------|---------------------------------------|--------|
| | | Pct. | | Pct. | | Pct. |
| Population | | | | | | |
| 2009 Projection | 14,132 | | 106,651 | | 257,123 | |
| 2004 Estimate | 15,209 | | 108,333 | | 259,863 | |
| 2000 Census | 16,148 | | 110,092 | | 263,225 | |
| 1990 Census | 17,320 | | 111,164 | | 252,369 | |
| Growth 1990 - 2000 | -6.77% | | -0.96% | | 4.30% | |
| Households | | | | | | |
| 2009 Projection | 4,640 | | 33,868 | | 78,513 | |
| 2004 Estimate | 4,960 | | 34,521 | | 80,145 | |
| 2000 Census | 5,232 | | 35,144 | | 81,717 | |
| 1990 Census | 5,170 | | 34,795 | | 79,772 | |
| Growth 1990 - 2000 | 1.19% | | 1.00% | | 2.44% | |
| 2004 Est. Population by Single Classification Race | | | | | | |
| White Alone | 1,648 | 10.84% | 22,053 | 20.36% | 72,505 | 27.90% |
| Black or African American Alone | 10,664 | 70.11% | 60,965 | 56.28% | 119,671 | 46.05% |
| American Indian and Alaska Native Alone | 28 | 0.18% | 559 | 0.52% | 1,434 | 0.55% |
| Asian Alone | 12 | 0.08% | 332 | 0.31% | 736 | 0.28% |
| Native Hawaiian and Other Pacific Islander Alone | 13 | 0.09% | 83 | 0.08% | 141 | 0.05% |
| Some Other Race Alone | 2,507 | 16.48% | 21,638 | 19.97% | 58,315 | 22.44% |
| Two or More Races | 337 | 2.21% | 2,704 | 2.50% | 7,062 | 2.72% |
| 2004 Est. Population Hispanic or Latino | | | | | | |
| Hispanic or Latino | 4,319 | 28.40% | 41,261 | 38.09% | 114,909 | 44.22% |
| Not Hispanic or Latino | 10,890 | 71.60% | 67,073 | 61.91% | 144,953 | 55.78% |
| 2004 Tenure of Occupied Housing Units* | | | | | | |
| Owner Occupied | 3,449 | 69.54% | 20,523 | 59.45% | 44,373 | 55.37% |
| Renter Occupied | 1,511 | 30.46% | 13,998 | 40.55% | 35,771 | 44.63% |
| 2004 Average Household Size | | | | | | |
| | 3.06 | | 3.10 | | 3.10 | |
| 2004 Est. Households by Household Income | | | | | | |
| Income Less than \$15,000 | 1,420 | 28.63% | 9,075 | 26.29% | 19,339 | 24.13% |



Prepared on: December 16, 2004 01:36:21 PM page 1 of 2
 © 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Demographic Quick Facts

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd
 Dallas, TX 75216
 Prepared By: The Weitzman Group

Latitude: 32.708473
 Longitude -96.802048

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | | Kiest Blvd at Lancaster R Rd Radius 3.0 | | Kiest Blvd at Lancaster R Rd Radius 5.0 | |
|---|---|--------|---|--------|---|--------|
| | | Pct. | | Pct. | | Pct. |
| Income \$15,000 - \$24,999 | 799 | 16.11% | 5,355 | 15.51% | 11,918 | 14.87% |
| Income \$25,000 - \$34,999 | 735 | 14.81% | 5,400 | 15.64% | 12,206 | 15.23% |
| Income \$35,000 - \$49,999 | 815 | 16.43% | 5,551 | 16.08% | 12,584 | 15.70% |
| Income \$50,000 - \$74,999 | 733 | 14.79% | 4,946 | 14.33% | 12,193 | 15.21% |
| Income \$75,000 - \$99,999 | 256 | 5.16% | 2,229 | 6.46% | 5,977 | 7.46% |
| Income \$100,000 - \$149,999 | 135 | 2.71% | 1,344 | 3.89% | 3,872 | 4.83% |
| Income \$150,000 - \$249,999 | 46 | 0.93% | 461 | 1.34% | 1,540 | 1.92% |
| Income \$250,000 - \$499,999 | 19 | 0.38% | 138 | 0.40% | 420 | 0.52% |
| Income \$500,000 and over | 3 | 0.06% | 20 | 0.06% | 96 | 0.12% |
| 2004 Est. Average Household Income | \$37,075 | | \$39,974 | | \$43,911 | |
| 2004 Est. Median Household Income | \$28,560 | | \$30,240 | | \$32,222 | |
| 2004 Est. Per Capita Income | \$12,111 | | \$12,893 | | \$14,086 | |



Prepared on: December 16, 2004 01:36:21 PM page 2 of 2
 © 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd
 Dallas, TX 75216
 Prepared By: The Weitzman Group

Latitude: 32.708473
 Longitude -96.802048

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | Pct. | Kiest Blvd at Lancaster R Rd Radius 3.0 | Pct. | Kiest Blvd at Lancaster R Rd Radius 5.0 | Pct. |
|--|--|--------|--|--------|--|--------|
| Population | | | | | | |
| 2009 Projection | 14,132 | | 106,651 | | 257,123 | |
| 2004 Estimate | 15,209 | | 108,333 | | 259,863 | |
| 2000 Census | 16,148 | | 110,092 | | 263,225 | |
| 1990 Census | 17,320 | | 111,164 | | 252,369 | |
| Growth 1990 - 2000 | -6.77% | | -0.96% | | 4.30% | |
| 2000 Population by Single Race Classification | | | | | | |
| 2000 Population | 16,148 | | 110,092 | | 263,225 | |
| White Alone | 1,413 | 8.75% | 20,689 | 18.79% | 71,035 | 26.99% |
| Black or African American Alone | 12,437 | 77.02% | 67,624 | 61.42% | 130,258 | 49.49% |
| American Indian and Alaska Native Alone | 29 | 0.18% | 525 | 0.48% | 1,475 | 0.56% |
| Asian Alone | 11 | 0.07% | 326 | 0.30% | 759 | 0.29% |
| Native Hawaiian and Other Pacific Islander Alone | 7 | 0.04% | 52 | 0.05% | 96 | 0.04% |
| Some Other Race Alone | 1,957 | 12.12% | 18,453 | 16.76% | 53,104 | 20.17% |
| Two or More Races | 294 | 1.82% | 2,422 | 2.20% | 6,498 | 2.47% |
| 2000 Population Hispanic or Latino by Origin | | | | | | |
| 2000 Population | 16,148 | | 110,092 | | 263,225 | |
| Not Hispanic or Latino | 12,695 | 78.62% | 75,282 | 68.38% | 161,325 | 61.29% |
| Hispanic or Latino: | 3,453 | 21.38% | 34,810 | 31.62% | 101,900 | 38.71% |
| Mexican | 2,944 | 85.27% | 29,950 | 86.04% | 87,291 | 85.66% |
| Puerto Rican | 14 | 0.41% | 115 | 0.33% | 316 | 0.31% |
| Cuban | 9 | 0.27% | 70 | 0.20% | 265 | 0.26% |
| All Other Hispanic or Latino | 486 | 14.06% | 4,676 | 13.43% | 14,029 | 13.77% |
| 2000 Hispanic or Latino by Single Race Class. | | | | | | |
| 2000 Population | 3,453 | | 34,810 | | 101,900 | |
| White Alone | 1,229 | 35.58% | 14,032 | 40.31% | 42,430 | 41.64% |
| Black or African American Alone | 73 | 2.12% | 426 | 1.22% | 999 | 0.98% |
| American Indian and Alaska Native Alone | 13 | 0.38% | 280 | 0.81% | 722 | 0.71% |
| Asian Alone | 2 | 0.05% | 20 | 0.06% | 69 | 0.07% |
| Native Hawaiian and Other Pacific Islander Alone | 1 | 0.03% | 32 | 0.09% | 49 | 0.05% |
| Some Other Race Alone | 1,955 | 56.61% | 18,393 | 52.84% | 52,960 | 51.97% |
| Two or More Races | 181 | 5.23% | 1,628 | 4.68% | 4,670 | 4.58% |
| 2000 Population by Sex | | | | | | |
| 2000 Population | 16,148 | | 110,092 | | 263,225 | |
| Male | 7,626 | 47.23% | 52,921 | 48.07% | 131,226 | 49.85% |



Prepared on: December 16, 2004 01:38:15 PM page 1 of 9
 © 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3
3

E Kiest Blvd at S Lancaster Rd

Latitude: 32.708473

Dallas, TX 75216

Longitude -96.802048

Prepared By: The Weitzman Group

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | | Kiest Blvd at Lancaster R Rd Radius 3.0 | | Kiest Blvd at Lancaster R Rd Radius 5.0 | |
|------------------------------------|--|--------|--|--------|--|--------|
| | | Pct. | | Pct. | | Pct. |
| Female | 8,522 | 52.77% | 57,171 | 51.93% | 131,999 | 50.15% |
| Male/Female Ratio | 0.89 | | 0.93 | | 0.99 | |
| 2000 Population by Age | 16,148 | | 110,092 | | 263,225 | |
| Age 0 - 4 | 1,153 | 7.14% | 8,933 | 8.11% | 21,668 | 8.23% |
| Age 5 - 9 | 1,292 | 8.00% | 9,500 | 8.63% | 22,016 | 8.36% |
| Age 10 - 14 | 1,396 | 8.65% | 9,547 | 8.67% | 21,295 | 8.09% |
| Age 15 - 17 | 859 | 5.32% | 5,613 | 5.10% | 12,938 | 4.92% |
| Age 18 - 20 | 719 | 4.45% | 5,556 | 5.05% | 13,844 | 5.26% |
| Age 21 - 24 | 865 | 5.36% | 6,720 | 6.10% | 17,216 | 6.54% |
| Age 25 - 34 | 2,033 | 12.59% | 15,344 | 13.94% | 40,925 | 15.55% |
| Age 35 - 44 | 2,145 | 13.28% | 14,901 | 13.53% | 38,464 | 14.61% |
| Age 45 - 49 | 984 | 6.09% | 6,584 | 5.98% | 16,068 | 6.10% |
| Age 50 - 54 | 917 | 5.68% | 5,765 | 5.24% | 13,873 | 5.27% |
| Age 55 - 59 | 872 | 5.40% | 5,076 | 4.61% | 11,100 | 4.22% |
| Age 60 - 64 | 847 | 5.25% | 4,715 | 4.28% | 8,982 | 3.41% |
| Age 65 - 74 | 1,347 | 8.34% | 6,960 | 6.32% | 13,964 | 5.31% |
| Age 75 - 84 | 559 | 3.46% | 3,593 | 3.26% | 8,023 | 3.05% |
| Age 85 and over | 160 | 0.99% | 1,286 | 1.17% | 2,848 | 1.08% |
| Age 16 and over | 12,035 | 74.53% | 80,315 | 72.95% | 194,096 | 73.74% |
| Age 18 and over | 11,447 | 70.89% | 76,499 | 69.49% | 185,307 | 70.40% |
| Age 21 and over | 10,729 | 66.44% | 70,943 | 64.44% | 171,464 | 65.14% |
| Age 65 and over | 2,066 | 12.79% | 11,840 | 10.75% | 24,836 | 9.44% |
| 2000 Median Age | 33.80 | | 30.98 | | 30.53 | |
| 2000 Average Age | 35.62 | | 33.70 | | 32.98 | |
| 2000 Male Population by Age | 7,626 | | 52,921 | | 131,226 | |
| Age 0 - 4 | 586 | 7.68% | 4,488 | 8.48% | 10,981 | 8.37% |
| Age 5 - 9 | 649 | 8.51% | 4,845 | 9.16% | 11,186 | 8.52% |
| Age 10 - 14 | 690 | 9.04% | 4,869 | 9.20% | 10,851 | 8.27% |
| Age 15 - 17 | 428 | 5.61% | 2,860 | 5.40% | 6,637 | 5.06% |
| Age 18 - 20 | 392 | 5.15% | 2,924 | 5.53% | 7,537 | 5.74% |
| Age 21 - 24 | 451 | 5.91% | 3,445 | 6.51% | 9,256 | 7.05% |
| Age 25 - 34 | 1,034 | 13.56% | 7,671 | 14.49% | 21,547 | 16.42% |
| Age 35 - 44 | 1,038 | 13.61% | 7,291 | 13.78% | 20,000 | 15.24% |



Prepared on: December 16, 2004 01:38:15 PM page 2 of 9

© 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd

Latitude: 32.708473

Dallas, TX 75216

Longitude -96.802048

Prepared By: The Weitzman Group

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | Pct. | Kiest Blvd at Lancaster R Rd Radius 3.0 | Pct. | Kiest Blvd at Lancaster R Rd Radius 5.0 | Pct. |
|---|--|--------|--|--------|--|--------|
| Age 45 - 49 | 453 | 5.95% | 3,115 | 5.89% | 7,988 | 6.09% |
| Age 50 - 54 | 410 | 5.38% | 2,619 | 4.95% | 6,472 | 4.93% |
| Age 55 - 59 | 345 | 4.53% | 2,203 | 4.16% | 5,122 | 3.90% |
| Age 60 - 64 | 361 | 4.74% | 2,031 | 3.84% | 4,027 | 3.07% |
| Age 65 - 74 | 554 | 7.26% | 2,888 | 5.46% | 5,890 | 4.49% |
| Age 75 - 84 | 193 | 2.53% | 1,336 | 2.53% | 2,957 | 2.25% |
| Age 85 and over | 41 | 0.54% | 334 | 0.63% | 776 | 0.59% |
| 2000 Median Age, Male | 30.96 | | 28.95 | | 29.25 | |
| 2000 Average Age, Male | 33.49 | | 31.90 | | 31.53 | |
| 2000 Female Population by Age | 8,522 | | 57,171 | | 131,999 | |
| Age 0 - 4 | 567 | 6.66% | 4,445 | 7.77% | 10,687 | 8.10% |
| Age 5 - 9 | 643 | 7.54% | 4,655 | 8.14% | 10,829 | 8.20% |
| Age 10 - 14 | 707 | 8.29% | 4,678 | 8.18% | 10,445 | 7.91% |
| Age 15 - 17 | 432 | 5.06% | 2,753 | 4.82% | 6,302 | 4.77% |
| Age 18 - 20 | 326 | 3.83% | 2,632 | 4.60% | 6,307 | 4.78% |
| Age 21 - 24 | 415 | 4.87% | 3,274 | 5.73% | 7,960 | 6.03% |
| Age 25 - 34 | 999 | 11.73% | 7,674 | 13.42% | 19,378 | 14.68% |
| Age 35 - 44 | 1,107 | 12.98% | 7,610 | 13.31% | 18,464 | 13.99% |
| Age 45 - 49 | 530 | 6.22% | 3,468 | 6.07% | 8,080 | 6.12% |
| Age 50 - 54 | 506 | 5.94% | 3,145 | 5.50% | 7,401 | 5.61% |
| Age 55 - 59 | 527 | 6.18% | 2,873 | 5.03% | 5,978 | 4.53% |
| Age 60 - 64 | 486 | 5.70% | 2,683 | 4.69% | 4,954 | 3.75% |
| Age 65 - 74 | 793 | 9.31% | 4,072 | 7.12% | 8,074 | 6.12% |
| Age 75 - 84 | 366 | 4.30% | 2,257 | 3.95% | 5,066 | 3.84% |
| Age 85 and over | 118 | 1.39% | 952 | 1.67% | 2,073 | 1.57% |
| 2000 Median Age, Female | 36.56 | | 33.01 | | 31.95 | |
| 2000 Average Age, Female | 37.53 | | 35.36 | | 34.41 | |
| 2000 Population Age 15+ by Marital Status* | 12,201 | | 82,240 | | 198,338 | |
| Total, Never Married | 3,880 | 31.80% | 27,605 | 33.57% | 68,340 | 34.46% |
| Married, Spouse present | 4,429 | 36.30% | 29,873 | 36.32% | 70,995 | 35.79% |
| Married, Spouse absent | 1,286 | 10.54% | 9,089 | 11.05% | 23,626 | 11.91% |
| Widowed | 1,266 | 10.38% | 7,059 | 8.58% | 14,601 | 7.36% |



Prepared on: December 16, 2004 01:38:15 PM page 3 of 9

© 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd
 Dallas, TX 75216
 Prepared By: The Weitzman Group

Latitude: 32.708473
 Longitude -96.802048

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | | Kiest Blvd at Lancaster R Rd Radius 3.0 | | Kiest Blvd at Lancaster R Rd Radius 5.0 | |
|---|--|--------|--|--------|--|--------|
| | | Pct. | | Pct. | | Pct. |
| Divorced | 1,339 | 10.98% | 8,613 | 10.47% | 20,776 | 10.48% |
| Males, Never Married | 2,099 | 17.21% | 14,551 | 17.69% | 37,918 | 19.12% |
| Previously Married | 1,046 | 8.58% | 6,508 | 7.91% | 16,124 | 8.13% |
| Females, Never Married | 1,781 | 14.59% | 13,055 | 15.87% | 30,422 | 15.34% |
| Previously Married | 2,263 | 18.55% | 13,874 | 16.87% | 29,985 | 15.12% |
| 2000 Population Age 25+ by Educational Attainment* | 9,729 | | 64,081 | | 153,707 | |
| Less than 9th grade | 1,659 | 17.05% | 12,115 | 18.91% | 30,387 | 19.77% |
| Some High School, no diploma | 2,377 | 24.43% | 14,114 | 22.03% | 32,690 | 21.27% |
| High School Graduate (or GED) | 3,318 | 34.11% | 18,613 | 29.05% | 41,508 | 27.00% |
| Some College, no degree | 1,684 | 17.31% | 11,397 | 17.79% | 26,893 | 17.50% |
| Associate Degree | 283 | 2.91% | 2,248 | 3.51% | 5,433 | 3.53% |
| Bachelor's Degree | 271 | 2.78% | 3,763 | 5.87% | 10,614 | 6.91% |
| Master's Degree | 93 | 0.95% | 1,429 | 2.23% | 4,485 | 2.92% |
| Professional School Degree | 18 | 0.19% | 246 | 0.38% | 1,113 | 0.72% |
| Doctorate Degree | 26 | 0.26% | 157 | 0.24% | 585 | 0.38% |
| Households | | | | | | |
| 2009 Projection | 4,640 | | 33,868 | | 78,513 | |
| 2004 Estimate | 4,960 | | 34,521 | | 80,145 | |
| 2000 Census | 5,232 | | 35,144 | | 81,717 | |
| 1990 Census | 5,170 | | 34,795 | | 79,772 | |
| Growth 1990-2000 | 1.19% | | 1.00% | | 2.44% | |
| 2000 Households by Household Type | 5,232 | | 35,144 | | 81,717 | |
| Family Households | 3,907 | 74.68% | 25,826 | 73.49% | 58,336 | 71.39% |
| Nonfamily Households | 1,325 | 25.32% | 9,318 | 26.51% | 23,382 | 28.61% |
| 2000 Group Quarters Population | 31 | | 1,187 | | 11,190 | |
| 2000 Households Hispanic or Latino | 689 | 13.18% | 7,369 | 20.97% | 22,381 | 27.39% |
| 2000 Households by Household Size | 5,232 | | 35,144 | | 81,717 | |
| 1-person household | 1,148 | 21.95% | 7,738 | 22.02% | 19,083 | 23.35% |
| 2-person household | 1,352 | 25.85% | 8,832 | 25.13% | 20,042 | 24.53% |



Prepared on: December 16, 2004 01:38:15 PM page 4 of 9
 © 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd

Latitude: 32.708473

Dallas, TX 75216

Longitude -96.802048

Prepared By: The Weitzman Group

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | | Kiest Blvd at Lancaster R Rd Radius 3.0 | | Kiest Blvd at Lancaster R Rd Radius 5.0 | |
|---|---|--------|---|--------|---|--------|
| | | Pct. | | Pct. | | Pct. |
| 3-person household | 985 | 18.83% | 6,399 | 18.21% | 14,024 | 17.16% |
| 4-person household | 712 | 13.60% | 5,094 | 14.50% | 11,797 | 14.44% |
| 5-person household | 476 | 9.10% | 3,289 | 9.36% | 7,861 | 9.62% |
| 6-person household | 256 | 4.90% | 1,756 | 5.00% | 4,207 | 5.15% |
| 7 or more person household | 302 | 5.77% | 2,034 | 5.79% | 4,703 | 5.75% |
| 2000 Average Household Size | 3.08 | | 3.10 | | 3.08 | |
| 2000 Households by Household Income | 5,341 | | 35,240 | | 81,888 | |
| Income Less than \$15,000 | 1,641 | 30.72% | 9,478 | 26.90% | 20,467 | 24.99% |
| Income \$15,000 - \$24,999 | 933 | 17.47% | 6,221 | 17.65% | 13,928 | 17.01% |
| Income \$25,000 - \$34,999 | 828 | 15.50% | 5,459 | 15.49% | 12,375 | 15.11% |
| Income \$35,000 - \$49,999 | 843 | 15.77% | 5,637 | 16.00% | 12,903 | 15.76% |
| Income \$50,000 - \$74,999 | 758 | 14.20% | 4,935 | 14.00% | 12,306 | 15.03% |
| Income \$75,000 - \$99,999 | 178 | 3.33% | 1,964 | 5.57% | 5,293 | 6.46% |
| Income \$100,000 - \$149,999 | 99 | 1.86% | 1,070 | 3.04% | 2,999 | 3.66% |
| Income \$150,000 - \$249,999 | 48 | 0.89% | 365 | 1.03% | 1,285 | 1.57% |
| Income \$250,000 - \$499,999 | 13 | 0.25% | 102 | 0.29% | 280 | 0.34% |
| Income \$500,000 or more | 1 | 0.02% | 9 | 0.03% | 52 | 0.06% |
| 2000 Average Household Income | \$34,329 | | \$37,837 | | \$40,935 | |
| 2000 Median Household Income | \$26,176 | | \$28,519 | | \$30,292 | |
| 2000 Per Capita Income | \$11,517 | | \$12,297 | | \$13,260 | |
| 2000 Household Type, Presence of Own Children* | 5,232 | | 35,144 | | 81,717 | |
| Single Male Householder | 456 | 8.71% | 3,237 | 9.21% | 8,479 | 10.38% |
| Single Female Householder | 692 | 13.23% | 4,502 | 12.81% | 10,604 | 12.98% |
| Married-Couple Family, own children | 768 | 14.68% | 6,600 | 18.78% | 16,848 | 20.62% |
| Married-Couple Family, no own children | 1,166 | 22.29% | 7,244 | 20.61% | 16,169 | 19.79% |
| Male Householder, own children | 138 | 2.64% | 871 | 2.48% | 2,039 | 2.50% |
| Male Householder, no own children | 262 | 5.00% | 1,536 | 4.37% | 3,490 | 4.27% |
| Female Householder, own children | 595 | 11.38% | 4,520 | 12.86% | 9,961 | 12.19% |
| Female Householder, no own children | 978 | 18.70% | 5,055 | 14.38% | 9,829 | 12.03% |
| Nonfamily, Male Householder | 97 | 1.86% | 915 | 2.60% | 2,783 | 3.41% |
| Nonfamily, Female Householder | 79 | 1.52% | 664 | 1.89% | 1,516 | 1.85% |



Prepared on: December 16, 2004 01:38:15 PM page 5 of 9

© 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd
 Dallas, TX 75216
 Prepared By: The Weitzman Group

Latitude: 32.708473
 Longitude -96.802048

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | Pct. | Kiest Blvd at Lancaster R Rd Radius 3.0 | Pct. | Kiest Blvd at Lancaster R Rd Radius 5.0 | Pct. |
|--|---|--------|---|--------|---|--------|
| 2000 Households by Presence of People* | 5,232 | | 35,144 | | 81,717 | |
| Households with 1 or more People Age 18 or under: | | | | | | |
| Married-Couple Family | 996 | 19.04% | 7,889 | 22.45% | 19,520 | 23.89% |
| Other Family, Male Householder | 212 | 4.04% | 1,283 | 3.65% | 2,969 | 3.63% |
| Other Family, Female Householder | 1,001 | 19.14% | 6,526 | 18.57% | 13,670 | 16.73% |
| Nonfamily, Male Householder | 9 | 0.17% | 90 | 0.26% | 246 | 0.30% |
| Nonfamily, Female Householder | 5 | 0.10% | 42 | 0.12% | 98 | 0.12% |
| Households no People Age 18 or under: | | | | | | |
| Married-Couple Family | 938 | 17.93% | 5,955 | 16.95% | 13,497 | 16.52% |
| Other Family, Male Householder | 188 | 3.60% | 1,124 | 3.20% | 2,560 | 3.13% |
| Other Family, Female Householder | 572 | 10.94% | 3,049 | 8.68% | 6,120 | 7.49% |
| Nonfamily, Male Householder | 544 | 10.41% | 4,062 | 11.56% | 11,017 | 13.48% |
| Nonfamily, Female Householder | 766 | 14.65% | 5,124 | 14.58% | 12,021 | 14.71% |
| 2000 Households by Number of Vehicles | 5,232 | | 35,144 | | 81,717 | |
| No Vehicles | 828 | 15.83% | 6,189 | 17.61% | 13,885 | 16.99% |
| 1 Vehicle | 2,026 | 38.73% | 13,540 | 38.53% | 32,217 | 39.42% |
| 2 Vehicles | 1,548 | 29.58% | 10,333 | 29.40% | 24,421 | 29.88% |
| 3 Vehicles | 598 | 11.44% | 3,675 | 10.46% | 8,097 | 9.91% |
| 4 Vehicles | 155 | 2.97% | 1,004 | 2.86% | 2,192 | 2.68% |
| 5 or more Vehicles | 33 | 0.64% | 418 | 1.19% | 870 | 1.06% |
| 2000 Average Number of Vehicles | 1.48 | | 1.47 | | 1.46 | |
| 2000 Families by Poverty Status | 3,915 | | 26,064 | | 58,840 | |
| Income At or Above Poverty Level: | | | | | | |
| Married-Couple Family, own children | 1,009 | 25.77% | 6,801 | 26.09% | 16,707 | 28.39% |
| Married-Couple Family, no own children | 819 | 20.93% | 5,527 | 21.21% | 12,630 | 21.47% |
| Male Householder, own children | 95 | 2.42% | 804 | 3.08% | 2,022 | 3.44% |
| Male Householder, no own children | 169 | 4.32% | 879 | 3.37% | 2,057 | 3.50% |
| Female Householder, own children | 571 | 14.60% | 3,977 | 15.26% | 8,119 | 13.80% |
| Female Householder, no own children | 372 | 9.49% | 2,456 | 9.42% | 5,015 | 8.52% |
| Income Below Poverty Level: | | | | | | |
| Married-Couple Family, own children | 206 | 5.26% | 1,491 | 5.72% | 3,588 | 6.10% |
| Married-Couple Family, no own children | 120 | 3.07% | 526 | 2.02% | 1,109 | 1.88% |
| Male Householder, own children | 24 | 0.60% | 351 | 1.35% | 772 | 1.31% |



Prepared on: December 16, 2004 01:38:15 PM page 6 of 9
 © 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd
 Dallas, TX 75216
 Prepared By: The Weitzman Group

Latitude: 32.708473
 Longitude -96.802048

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | | Kiest Blvd at Lancaster R Rd Radius 3.0 | | Kiest Blvd at Lancaster R Rd Radius 5.0 | |
|--|--|--------|--|--------|--|--------|
| | | Pct. | | Pct. | | Pct. |
| Male Householder, no own children | 16 | 0.41% | 147 | 0.56% | 370 | 0.63% |
| Female Householder, own children | 371 | 9.48% | 2,536 | 9.73% | 5,378 | 9.14% |
| Female Householder, no own children | 143 | 3.65% | 570 | 2.19% | 1,072 | 1.82% |
| 2000 Population Age 16+ by Employment Status | 11,949 | | 80,473 | | 194,112 | |
| In Armed Forces | 0 | 0.00% | 10 | 0.01% | 41 | 0.02% |
| Civilian - Employed | 5,563 | 46.56% | 39,813 | 49.47% | 95,601 | 49.25% |
| Civilian - Unemployed | 720 | 6.03% | 4,940 | 6.14% | 11,254 | 5.80% |
| Not in Labor Force | 5,665 | 47.41% | 35,711 | 44.38% | 87,216 | 44.93% |
| 2000 Civilian Employed Pop. Age 16+ by Occupation | 5,563 | | 39,813 | | 95,601 | |
| Management, Business and Financial Operations | 336 | 6.03% | 2,631 | 6.61% | 7,627 | 7.98% |
| Professional and Related Occupations | 494 | 8.88% | 4,004 | 10.06% | 10,924 | 11.43% |
| Service | 1,376 | 24.73% | 8,069 | 20.27% | 17,298 | 18.09% |
| Sales and Office | 1,502 | 27.00% | 10,886 | 27.34% | 26,239 | 27.45% |
| Farming, Fishing and Forestry | 0 | 0.00% | 54 | 0.14% | 260 | 0.27% |
| Construction, Extraction, and Maintenance | 623 | 11.21% | 5,666 | 14.23% | 13,486 | 14.11% |
| Production, Transportation, and Material Moving | 1,232 | 22.15% | 8,503 | 21.36% | 19,767 | 20.68% |
| 2000 Pop. Age 16+ by Occupation Classification | 5,563 | | 39,813 | | 95,601 | |
| Blue Collar | 1,856 | 33.36% | 14,169 | 35.59% | 33,252 | 34.78% |
| Service and Farm | 1,376 | 24.73% | 8,139 | 20.44% | 17,611 | 18.42% |
| White Collar | 2,332 | 41.91% | 17,504 | 43.97% | 44,738 | 46.80% |
| 2000 Workers Age 16+, Transportation To Work | 5,346 | | 38,314 | | 92,266 | |
| Drove Alone | 3,446 | 64.47% | 24,115 | 62.94% | 57,831 | 62.68% |
| Car Pooled | 1,124 | 21.02% | 8,742 | 22.82% | 21,135 | 22.91% |
| Public Transportation | 604 | 11.31% | 3,828 | 9.99% | 8,809 | 9.55% |
| Walked | 72 | 1.35% | 663 | 1.73% | 1,773 | 1.92% |
| Motorcycle | 0 | 0.00% | 11 | 0.03% | 24 | 0.03% |
| Bicycle | 0 | 0.00% | 13 | 0.03% | 82 | 0.09% |
| Other Means | 10 | 0.19% | 304 | 0.79% | 1,042 | 1.13% |
| Worked at Home | 89 | 1.66% | 638 | 1.67% | 1,570 | 1.70% |
| 2000 Workers Age 16+ by Travel Time to Work | 5,257 | | 37,676 | | 90,695 | |
| Less than 15 Minutes | 598 | 11.37% | 5,362 | 14.23% | 14,193 | 15.65% |



Prepared on: December 16, 2004 01:38:15 PM page 7 of 9
 © 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd

Latitude: 32.708473

Dallas, TX 75216

Longitude -96.802048

Prepared By: The Weitzman Group

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | | Kiest Blvd at Lancaster R Rd Radius 3.0 | | Kiest Blvd at Lancaster R Rd Radius 5.0 | |
|--|---|--------|---|--------|---|--------|
| | | Pct. | | Pct. | | Pct. |
| 15 - 29 Minutes | 1,896 | 36.06% | 13,386 | 35.53% | 31,856 | 35.12% |
| 30 - 44 Minutes | 1,525 | 29.01% | 11,050 | 29.33% | 26,308 | 29.01% |
| 45 - 59 Minutes | 566 | 10.76% | 3,595 | 9.54% | 8,897 | 9.81% |
| 60 or more Minutes | 673 | 12.79% | 4,282 | 11.37% | 9,442 | 10.41% |
| 2000 Average Travel Time to Work in Minutes | 35.21 | | 33.55 | | 32.77 | |
| 2000 Tenure of Occupied Housing Units | 5,232 | | 35,144 | | 81,717 | |
| Owner Occupied | 3,646 | 69.68% | 21,180 | 60.27% | 45,750 | 55.99% |
| Renter Occupied | 1,586 | 30.32% | 13,964 | 39.73% | 35,967 | 44.01% |
| 2000 Occ Housing Units, Avg Length of Residence | 16 | | 14 | | 12 | |
| 2000 All Owner-Occupied Housing Values | 3,677 | | 21,200 | | 45,725 | |
| Value Less than \$20,000 | 433 | 11.77% | 1,215 | 5.73% | 2,195 | 4.80% |
| Value \$20,000 - \$39,999 | 1,434 | 38.99% | 5,198 | 24.52% | 8,625 | 18.86% |
| Value \$40,000 - \$59,999 | 1,148 | 31.22% | 6,319 | 29.80% | 13,118 | 28.69% |
| Value \$60,000 - \$79,999 | 471 | 12.80% | 4,676 | 22.06% | 10,261 | 22.44% |
| Value \$80,000 - \$99,999 | 157 | 4.26% | 2,445 | 11.53% | 6,038 | 13.21% |
| Value \$100,000 - \$149,999 | 25 | 0.67% | 956 | 4.51% | 3,287 | 7.19% |
| Value \$150,000 - \$199,999 | 10 | 0.27% | 247 | 1.17% | 1,082 | 2.37% |
| Value \$200,000 - \$299,999 | 0 | 0.00% | 110 | 0.52% | 702 | 1.53% |
| Value \$300,000 - \$399,999 | 0 | 0.00% | 0 | 0.00% | 176 | 0.38% |
| Value \$400,000 - \$499,999 | 0 | 0.00% | 0 | 0.00% | 91 | 0.20% |
| Value \$500,000 - \$749,999 | 0 | 0.00% | 6 | 0.03% | 104 | 0.23% |
| Value \$750,000 - \$999,999 | 0 | 0.00% | 9 | 0.04% | 9 | 0.02% |
| Value \$1,000,000 or more | 1 | 0.03% | 18 | 0.09% | 37 | 0.08% |
| 2000 Median All Owner-Occupied Housing Value | \$39,610 | | \$53,250 | | \$58,360 | |
| 2000 Housing Units by Units in Structure* | 5,598 | | 38,174 | | 88,245 | |
| 1 Unit Attached | 124 | 2.22% | 960 | 2.51% | 2,902 | 3.29% |
| 1 Unit Detached | 5,261 | 93.97% | 27,956 | 73.23% | 58,706 | 66.53% |
| 2 Units | 62 | 1.11% | 705 | 1.85% | 1,982 | 2.25% |
| 3 to 19 Units | 107 | 1.92% | 3,781 | 9.90% | 12,222 | 13.85% |
| 20 to 49 Units | 20 | 0.35% | 1,476 | 3.87% | 3,488 | 3.95% |



Prepared on: December 16, 2004 01:38:15 PM page 8 of 9

© 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Pop-Facts: Census Demographic Overview

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3

E Kiest Blvd at S Lancaster Rd

Latitude: 32.708473

Dallas, TX 75216

Longitude -96.802048

Prepared By: The Weitzman Group

| Description | Kiest Blvd at Lancaster R Rd Radius 1.0 | | Kiest Blvd at Lancaster R Rd Radius 3.0 | | Kiest Blvd at Lancaster R Rd Radius 5.0 | |
|---|--|--------|--|--------|--|--------|
| | | Pct. | | Pct. | | Pct. |
| 50 or More Units | 23 | 0.42% | 2,966 | 7.77% | 8,207 | 9.30% |
| Mobile Home or Trailer | 19 | 0.34% | 298 | 0.78% | 569 | 0.64% |
| Boat, RV, Van, etc | 7 | 0.13% | 41 | 0.11% | 131 | 0.15% |
| 2000 Housing Units by Year Built | 5,598 | | 38,174 | | 88,245 | |
| Housing Unit Built 1999 to present | 3 | 0.06% | 124 | 0.32% | 500 | 0.57% |
| Housing Unit Built 1995 to 1998 | 50 | 0.90% | 474 | 1.24% | 1,198 | 1.36% |
| Housing Unit Built 1990 to 1994 | 42 | 0.75% | 431 | 1.13% | 1,229 | 1.39% |
| Housing Unit Built 1980 to 1989 | 158 | 2.82% | 2,115 | 5.54% | 5,516 | 6.25% |
| Housing Unit Built 1970 to 1979 | 421 | 7.52% | 4,813 | 12.61% | 13,089 | 14.83% |
| Housing Unit Built 1960 to 1969 | 1,178 | 21.04% | 10,591 | 27.74% | 23,140 | 26.22% |
| Housing Unit Built 1950 to 1959 | 2,068 | 36.95% | 11,729 | 30.72% | 21,776 | 24.68% |
| Housing Unit Built 1940 to 1949 | 1,196 | 21.36% | 5,143 | 13.47% | 11,397 | 12.92% |
| Housing Unit Built 1939 or Earlier | 507 | 9.06% | 2,761 | 7.23% | 10,362 | 11.74% |
| 2000 Median Year Structure Built | 1955 | | 1960 | | 1960 | |
| 2000 Average Contract Rent | \$367 | | \$386 | | \$417 | |



Prepared on: December 16, 2004 01:38:15 PM page 9 of 9

© 2004 CLARITAS INC. All rights reserved. (800) 866-6511

*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

Workplace Business & Employment Report

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0

E Kiest Blvd at S Lancaster Rd
Dallas, TX 75216
Prepared By: The Weitzman Group

Latitude: 32.708473
Longitude: -96.802048

| Name | Business Count | Employee Count | # Empl per Business |
|----------------|----------------|----------------|---------------------|
| All Industries | 443 | 2,641 | 5.96 |



Workplace Business & Employment Report

Area(s): Kiest Blvd at Lancaster Rd Radius 3.0

E Kiest Blvd at S Lancaster Rd

Latitude: 32.708473

Dallas, TX 75216

Longitude -96.802048

Prepared By: The Weitzman Group

| Name | Business Count | Employee Count | # Empl per Business |
|----------------|----------------|----------------|---------------------|
| All Industries | 3,096 | 24,111 | 7.79 |



Prepared on: December 16, 2004 01:39:00 PM page 2 of 3

© 2004 CLARITAS INC. All rights reserved. (800) 866-6511

Workplace Business & Employment Report

Area(s): Kiest Blvd at Lancaster Rd Radius 5.0

E Kiest Blvd at S Lancaster Rd

Latitude: 32.708473

Dallas, TX 75216

Longitude -96.802048

Prepared By: The Weitzman Group

| Name | Business Count | Employee Count | # Empl per Business |
|----------------|----------------|----------------|---------------------|
| All Industries | 8,827 | 106,458 | 12.06 |



Prepared on: December 16, 2004 01:39:00 PM page 3 of 3

© 2004 CLARITAS INC. All rights reserved. (800) 866-6511

Retail Trade Potential

Area(s): Kiest Blvd at Lancaster Rd Radius 1.0, Kiest Blvd at Lancaster Rd Radius 3
3

E Kiest Blvd at S Lancaster Rd

Latitude: 32.708473

Dallas, TX 75216

Longitude -96.802048

Prepared By: The Weitzman Group

| Description | Kiest Blvd at Lancaster Rd Radius 1.0 | Kiest Blvd at Lancaster Rd Radius 3.0 | Kiest Blvd at Lancaster Rd Radius 5.0 |
|---|--|--|--|
| Total Retail Sales | \$199,149,006 | \$1,403,525,113 | \$3,284,332,454 |
| Apparel & Accessory Stores | \$9,226,600 | \$65,256,122 | \$152,962,487 |
| Automotive Dealers | \$58,414,009 | \$410,947,386 | \$962,796,568 |
| Automotive & Home Supply Stores | \$2,874,964 | \$20,198,872 | \$47,049,990 |
| Drug & Proprietary Stores | \$6,088,763 | \$42,195,118 | \$98,091,263 |
| Eating & Drinking Places | \$22,313,959 | \$159,067,967 | \$374,512,287 |
| Food Stores | \$23,590,290 | \$165,373,376 | \$385,465,973 |
| Furniture & Home Furnishing Stores | \$5,357,364 | \$37,698,085 | \$88,351,995 |
| Home Appliance, Radio, & T.V. Stores | \$6,366,768 | \$45,421,022 | \$107,015,045 |
| Gasoline Service Stations | \$11,656,499 | \$81,435,790 | \$189,428,814 |
| General Merchandise | \$27,291,338 | \$190,816,610 | \$444,454,152 |
| Department Stores (including Leased Depts.) | \$17,163,171 | \$120,010,062 | \$279,659,144 |
| Hardware, Lumber & Garden Stores | \$8,452,143 | \$59,043,052 | \$137,385,566 |



December 16, 2004

Mr. Stanley Spigel
Donaldson Properties, Inc.
c/o Spigel Properties
40 Northwest Loop 410, Suite 102
San Antonio, Texas 78216-5826

Via Facsimile Only: 210.366.9422

RE: Letter of Intent to purchase the property know as Lancaster Kiest Shopping Center, located at 3050 South Lancaster, City of Dallas, Dallas County, Texas

Dear Mr. Spigel:

This letter is intended to summarize the general terms upon which Kiest General, LLC, (hereinafter referred to as "Purchaser"), intends to purchase from Donaldson Properties, Inc. (hereinafter referred to as the "Seller"), a developed shopping center located in the City of Dallas, Dallas County, Texas, incorporated herein by reference for all purposes (the "shopping Center"), together with all rights and appurtenances of the Seller pertaining to such shopping center including, but not limited to, any right, title and interest of the Seller in and to adjacent streets, roads, alleys, easements and right-of-ways, and all of Sellers rights, title, and interest under all leases and other contracts together with all obligations and liabilities under such leases and contracts affecting the Shopping Center together with such rights and appurtenances, leases and other contracts being herein referred to as (the "Property").

PURCHASER: Kiest General, LLC and/or assignees.

PROPERTY: 23± acres of Land and all improvements located at 3050 S Lancaster Road, Blocks 6075 and 6076 City of Dallas, Dallas County, Texas.

PRICE: ~~\$2,100,000.00~~ ^{\$}5,500,000

TERMS: Cash at closing.

INSPECTION PERIOD: 120 days from receipt of both title commitment and on the ground survey, and copy of leases.

Mr. Stanley Spigel
December 16, 2004
Page 2 of 3

~~Service, Rent Roll, Appraisals~~ ^{And all other}

~~within 30 days all other reports, copies of~~
HEOS ES

CLOSING: Closing shall take place within ⁶⁰30 days of successful inspection of the Property to the Purchasers satisfaction and if required completion of the replatting contingency.

EARNEST MONEY: \$10,000.00 to be deposited with the title company upon execution of the contract.

CONVEYANCE: By General Warranty Deed.

CLOSING COSTS: Purchaser shall bear the cost of any audits, inspections (engineering) and legal fees of Purchaser. Seller shall bear the cost of title policy and legal fees of Seller. Purchaser and Seller shall pay equal share of escrow costs.

BROKERAGE COMMISSION: Seller shall pay a commission of six percent (6%) of the total Gross Sales Price to The Weitzman Group, sole ("Broker").

TITLE COMPANY: Purchaser shall use for the closing:

Hexter Fair Title Company, Dallas, Texas

The above general terms and conditions are obviously not fully exhaustive. Additional issues will need to be addressed in the formal Purchase and Sale Agreement. Also, neither party shall be bound or obligated to perform under the above terms unless a formal Purchase and Sales Agreement is executed.

This letter, although it does represent our genuine interest at this time in pursuing the possibility of purchasing the property from your company, is not contractual and does not bind either party. Moreover, if Purchaser wishes to inspect the property without having entered into a binding contract of sale with your company, your permission for Purchaser to do so shall be only as an accommodation to Purchaser and shall not in any way constitute or evidence any contractual obligation. Please understand that no contractual relationship will exist unless and until a contract of sale has been executed by all parties. We look forward to hearing back from you shortly.

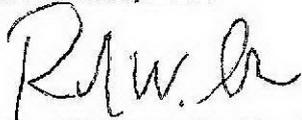
Should the above general terms and conditions be acceptable, please so indicate by executing this letter in the space provided below and returning same to my attention no

Mr. Stanley Spigel
December 16, 2004
Page 2 of 3

later than 5:00 p.m., December 20, 2004. Upon receipt of same, we shall promptly submit subject terms under a formal Contract Agreement to Seller for final approval.

Sincerely,

Kiest General, LLC



Mr. Ronald Slovacek - President

AGREED AND ACCEPTED this _____ day of, _____ 2004.

By: _____
Mr. Stanley Spigel

Kyle Robertson
Vice President

December 16, 2004

Mr. Stanley Spigel
Donaldson Properties, Inc.
c/o Spigel Properties
40 Northwest Loop 410, Suite 102
San Antonio, Texas 78216-5826

Via Facsimile Only: 210.366.9422

RE: Letter of Intent to purchase the property know as Lancaster Kiest Shopping Center, located at 3050 South Lancaster, City of Dallas, Dallas County, Texas

Dear Mr. Spigel:

This letter is intended to summarize the general terms upon which Kiest General, LLC, (hereinafter referred to as "Purchaser"), intends to purchase from Donaldson Properties, Inc. (hereinafter referred to as the "Seller"), a developed shopping center located in the City of Dallas, Dallas County, Texas, incorporated herein by reference for all purposes (the "shopping Center"), together with all rights and appurtenances of the Seller pertaining to such shopping center including, but not limited to, any right, title and interest of the Seller in and to adjacent streets, roads, alleys, easements and right-of-ways, and all of Sellers rights, title, and interest under all leases and other contracts together with all obligations and liabilities under such leases and contracts affecting the Shopping Center together with such rights and appurtenances, leases and other contracts being herein referred to as (the "Property").

PURCHASER: Kiest General, LLC and/or assignees.

PROPERTY: 23+ acres of Land and all improvements located at 3050 S Lancaster Road, Blocks 6075 and 6076 City of Dallas, Dallas County, Texas.

PRICE: ~~\$2,100,000.00~~ ^{\$}5,500,000

TERMS: Cash at closing.

INSPECTION PERIOD: 120 days from receipt of both title commitment and on the ground survey, and copy of leases.

3102 Maple Avenue

Suite 350

Dallas, Texas 75201

P: 214.954.0600

Fax: 214.953.0866

www.WeitzmanGroup.com

The Weitzman Group is the brokerage division of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

Mr. Stanley Spigel
December 16, 2004
Page 2 of 3

~~Survey, Rent Roll, appraisals~~ ^{And all other}
~~within 30 days of other reports, copies of~~
TEASES

CLOSING:

Closing shall take place within ⁶⁰30 days of successful inspection of the Property to the Purchasers satisfaction and if required completion of the replatting contingency.

EARNEST MONEY:

\$10,000.00 to be deposited with the title company upon execution of the contract.

CONVEYANCE:

By General Warranty Deed.

CLOSING COSTS:

Purchaser shall bear the cost of any audits, inspections (engineering) and legal fees of Purchaser. Seller shall bear the cost of title policy and legal fees of Seller. Purchaser and Seller shall pay equal share of escrow costs.

BROKERAGE COMMISSION:

Seller shall pay a commission of six percent (6%) of the total Gross Sales Price to The Weitzman Group, sole ("Broker").

TITLE COMPANY:

Purchaser shall use for the closing:

Hexter Fair Title Company, Dallas, Texas

The above general terms and conditions are obviously not fully exhaustive. Additional issues will need to be addressed in the formal Purchase and Sale Agreement. Also, neither party shall be bound or obligated to perform under the above terms unless a formal Purchase and Sales Agreement is executed.

This letter, although it does represent our genuine interest at this time in pursuing the possibility of purchasing the property from your company, is not contractual and does not bind either party. Moreover, if Purchaser wishes to inspect the property without having entered into a binding contract of sale with your company, your permission for Purchaser to do so shall be only as an accommodation to Purchaser and shall not in any way constitute or evidence any contractual obligation. Please understand that no contractual relationship will exist unless and until a contract of sale has been executed by all parties. We look forward to hearing back from you shortly.

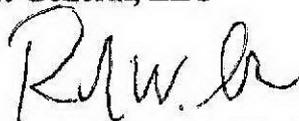
Should the above general terms and conditions be acceptable, please so indicate by executing this letter in the space provided below and returning same to my attention no

Mr. Stanley Spigel
December 16, 2004
Page 2 of 3

later than 5:00 p.m., December 20, 2004. Upon receipt of same, we shall promptly submit subject terms under a formal Contract Agreement to Seller for final approval.

Sincerely,

Kiest General, LLC



Mr. Ronald Slovacek - President

AGREED AND ACCEPTED this _____ day of, _____ 2004.

By: _____
Mr. Stanley Spigel

MODE = MEMORY TRANSMISSION

START=DEC-16 15:26

END=DEC-16 15:27

FILE NO.=129

| STN NO. | COMM. | ABBR NO. | STATION NAME/TEL NO. | PAGES | DURATION |
|---------|-------|----------|----------------------|---------|----------|
| 001 | OK | | 912103669422-2653 | 004/004 | 00:00:48 |

-WEITZMAN GROUP -

***** - 2149530866- *****



THE WEITZMAN GROUP

| |
|---|
| To: Stanley Spigel |
| Company: Spigel Properties |
| Phone: 210.349.3636 |
| Fax: 210.366.9422 |
| From: Kyle Robertson |
| Phone: 214.720.3691 |
| Fax: 214.953.0866 (Alt. Fax: 214.720.6684) |
| Date: December 16, 2004 |

| | | | |
|---|---|--|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Dallas | Austin | Houston | San Antonio |
| 3102 Maple Ave., Suite 350 Dallas, Texas 75201 214.954.0600 214.953.0866 fax | 101 W. 6 th Street, Suite 300 Austin, Texas 78701 512.482.0094 512.482.9021 fax | 1800 Bering Drive, Suite 550 Houston, Texas 77057 713.888.9981 713.781.7119 fax | 70 NE Loop 410, Suite 450 San Antonio, Texas 78216 210.366.5050 210.377.1777 fax |

Pages including this cover page: **4**

Visit us at www.WeitzmanGroup.com

Subject: Landcaster Kiest Shopping Center -- Letter of Intent

Mr. Spigel,

Attached is a LOI for your review. I will call you to discuss in detail.

Kyle

News Flash

In Frisco, we're delivering results.

Frisco, one of the fastest-growing residential markets in the Dallas/Fort Worth area, needed shops and services for its rapidly increasing population. To meet that need, **Cencor Realty Services** developed Main Street Village, a Kroger Signature-anchored community retail center located at the intersection of Main Street and Teel Parkway.

The Weitzman Group, as leasing agent for the center, worked with **Cencor** to create a tenant mix that includes retailers, restaurants and services like Chase Bank, Cutie Patootie Kids, Hallmark Gold Crown, Starbucks, Quiznos, The UPS Store, Wall Street Cleaners, Cold Stone Creamery, Leslie's Pool Mart, State Farm Insurance, Pro Cuts and more.

Main Street Village is just one of many new retail projects that **The Weitzman Group** is leasing in Texas.

The Weitzman Group & Cencor Realty Services: The Retail Specialists

The information contained herein was derived from sources believed reliable. However, The Weitzman Group makes no warranties, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, change of price, prior to sale or lease, or withdrawal without notice. The Weitzman Group is the brokerage company of Weitzman Management Corporation, a regional realty corporation which also does business through its management and development division, Cencor Realty Services.

Yahoo! My Yahoo! Mail

Search the web Search

YAHOO! LOCAL Sign In
 Yellow Pages New User? Sign Up

[Yellow Pages Home](#) - [Help](#)

| | | | | | | |
|-----------|--|--------|---------|---------|---|--------|
| | Monthly Rates for 10 Year Non-tobacco Term Life Insurance | | | | <small>FREE QUOTE!</small> | |
| | Issue Age | 30 | | 40 | | |
| | | Male | Female | Male | | Female |
| \$100,000 | \$7.09 | \$6.56 | \$8.40 | \$7.79 | All rates are subject to underwriting and state availability by the insurance carrier. CIGI Direct Insurance Services, Inc. All rights reserved. Copyright © 2004 | |
| \$250,000 | \$10.28 | \$9.19 | \$13.12 | \$11.81 | | |

Yahoo! Yellow Pages

Your Search: Search

Location: ★ San Antonio, TX

Search by Category or Business Name (e.g. Hotel or Holiday Inn)

[Top](#) > [Business to Business](#) > [Construction and Real Estate](#) > [Real Estate](#) > [Property Management](#)

Spigel, Stanley - Spigel Properties [Web Site](#)

Address: 40 NE Loop 410 # 102, San Antonio, TX 78216
 Phone: (210) 349-3636

[Email this Business Listing](#)

[Save to Yahoo! Address Book](#)

Related Categories

This listing appears in:

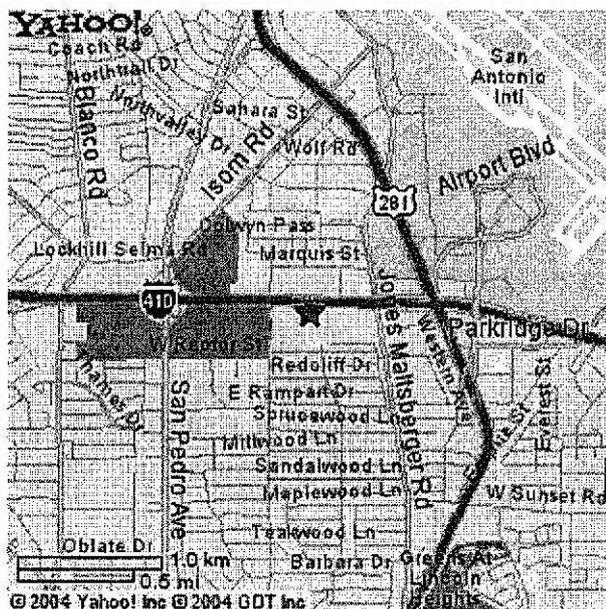
- [Real Estate > Property Management](#)
- [Real Estate > Real Estate Agents](#)
- [Real Estate > Other](#)

Related Searches

- [Real Estate](#)

Maps and Directions

[Interactive Map](#) | [Driving Directions](#)



More Search Options

Search the Web for:

[Spigel, Stanley - Spigel Properties in San Antonio, TX](#)

Businesses Close To:

40 NE Loop 410 # 102, San Antonio, TX 78216

- [Restaurants](#)
- [Golf Courses](#)
- [Department Stores](#)
- [Entertainment & Arts](#)
- [Hotels](#)
- [Change to this location](#)

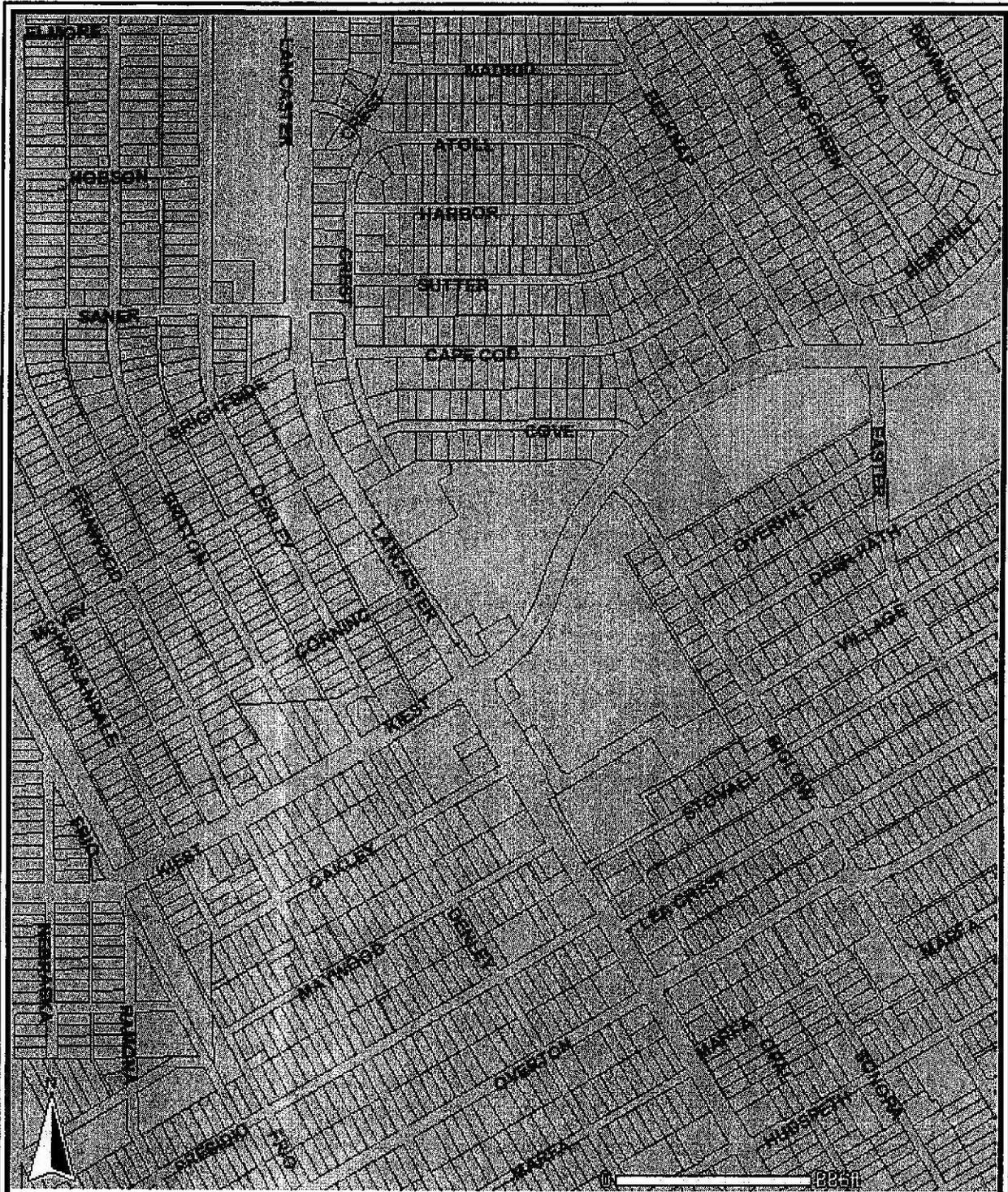
Business Information provided by InfoUSA ©, Omaha, Nebraska Copyright © 2004.

All Rights Reserved. Use Subject to [License](#).

[Driving Directions](#) - [Local](#) - [Maps](#) - [Real Estate](#) - [Yellow Pages](#)

Copyright © 2004 Yahoo! Inc. All rights reserved. [Help](#) - [Copyright Policy](#) - [Privacy Policy](#) - [Terms of Service](#) - [Yahoo! Maps Terms of Use](#)

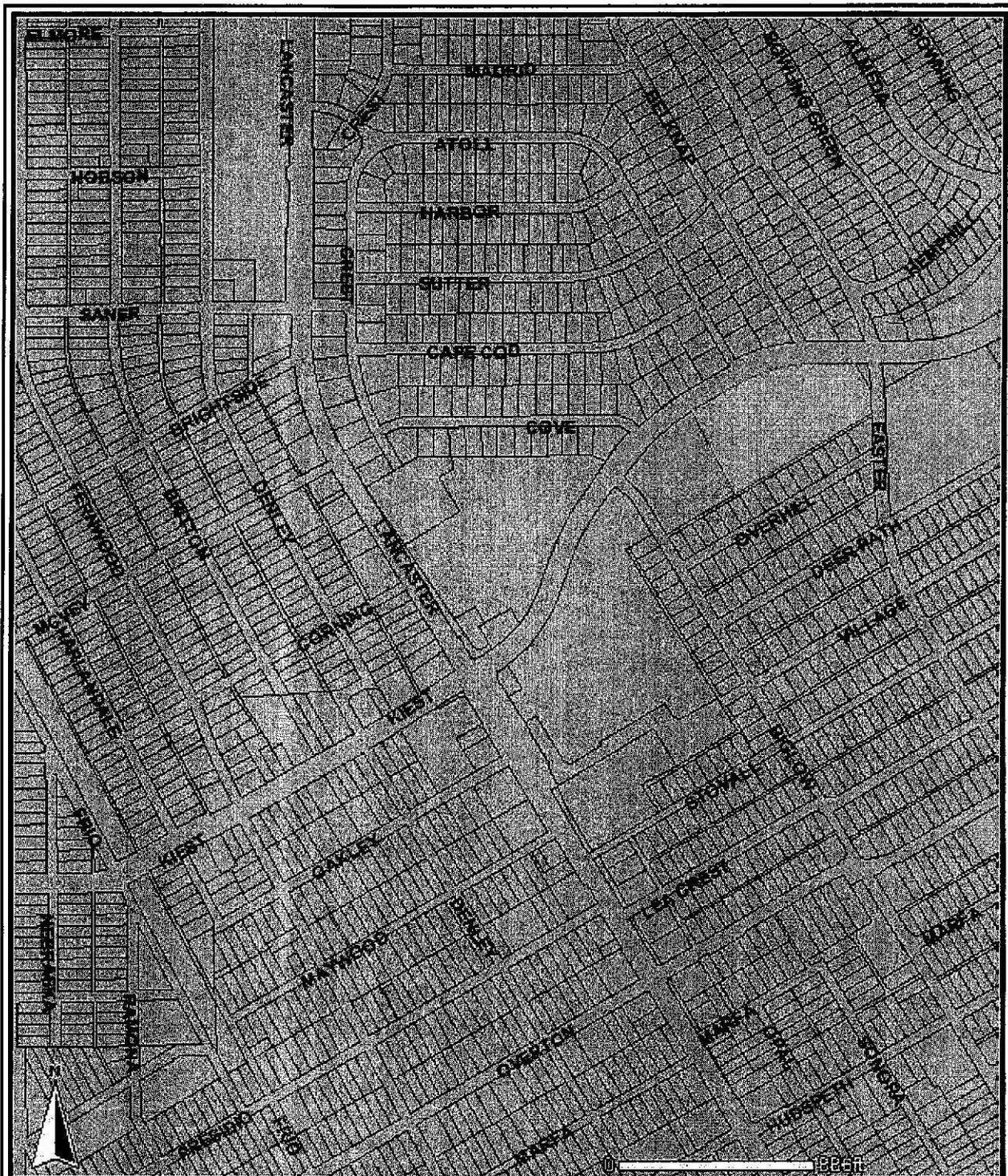
ID#: 8137618



**Dallas Central
Appraisal District**
www.dallascad.org

DISCLAIMER

The Dallas Central Appraisal District does not control or guarantee the accuracy, relevancy, timeliness or completeness of this data. DCAD assumes no legal responsibilities for the information represented on this map. Users should independently verify the data on this map before making any conclusions based on this data.



**Dallas Central
Appraisal District**
www.dallascad.org

DISCLAIMER

The Dallas Central Appraisal District does not control or guarantee the accuracy, relevancy, timeliness or completeness of this data. DCAD assumes no legal responsibilities for the information represented on this map. Users should independently verify the data on this map before making any conclusions based on this data.

Dallas Central Appraisal District

Home | Find Property | Contact Us

Commercial Account #0060760000000000

Location Owner Legal Desc Value Improvements Land Exemptions Estimated Taxes Building Footprint History

Property Location

Address: 1515 E KIEST BLVD

Market Area: 2DSN08

Mapsco: 55-X (DALLAS)

DCAD Property Map

[View Photo](#)



[Print Homestead Exemption Form](#)

YAHOO! Maps

Owner

DENTON ESTA

GORDONVILLE, TEXAS 76245-3702

Legal Desc

- 1: BLK 6076
- 2: ACS 0.367 CALC
- 3:
- 4: VOL85180/0975 DD090385 CO-DALLAS
- 5: 6076 000 000 2006076 000

Deed Transfer Date: 9/13/1985

Value

| 2004 Certified Values | |
|----------------------------|------------|
| Improvement: | \$0 |
| Land: | + \$15,990 |
| Market Value: | =\$15,990 |
| Revaluation Year: | 2004 |
| Previous Revaluation Year: | 2001 |

Improvements

No Improvements.

Land

| # | State Code | Zoning | Frontage (ft) | Depth (ft) | Area | Pricing Method | Unit Price | Market Adjustment | Adjusted Price | Ag Land | Ag Use Value |
|---|---|---------------------------|---------------|------------|-------------------------|----------------|------------|-------------------|----------------|---------|--------------|
| 1 | COMMERCIAL - VACANT PLOTTED LOTS/TRACTS | COMMUNITY RETAIL DISTRICT | 0 | 0 | 15,987.0000 SQUARE FEET | STANDARD | \$1.00 | 0% | \$15,987 | N | \$0 |

Exemptions

No Exemptions

Estimated Taxes

| | City | School | County | College | Hospital | Special District |
|-------------------------------|----------|------------|---------------|-----------------------------|-------------------|------------------|
| Taxing Jurisdiction | DALLAS | DALLAS ISD | DALLAS COUNTY | DALLAS CO COMMUNITY COLLEGE | PARKLAND HOSPITAL | UNASSIGNED |
| Tax Rate per \$100 | \$0.7197 | \$1.6694 | \$0.20936 | \$0.0803 | \$0.254 | \$0 |
| Taxable Value | \$15,990 | \$15,990 | \$15,990 | \$15,990 | \$15,990 | \$0 |
| Estimated Taxes | \$115.08 | \$266.94 | \$33.48 | \$12.84 | \$40.61 | \$0.00 |
| Tax Ceiling | | | | | N/A | N/A |
| Total Estimated Taxes: | | | | | | \$468.95 |

The estimated taxes are provided as a courtesy and should not be relied upon in making financial or other decisions. The Dallas Central Appraisal District (DCAD) does not control the tax rate nor the amount of the taxes, as that is the responsibility of each Taxing Jurisdiction. Questions about your taxes should be directed to the appropriate taxing jurisdiction. We cannot assist you in these matters. These tax estimates are calculated by using the most current certified taxable value multiplied by the most current tax rate. It does not take into account the Senior Citizen Ceiling, Agricultural Special Valuations or any other special or unique tax scenarios. If you wish to calculate taxes yourself, you may use the TaxEstimator to assist you.

Dallas Central Appraisal District

Home | Find Property | Contact Us

Commercial Account #0060750000000000

Location Owner Legal Desc Value Improvements Land Exemptions Estimated Taxes Building Footprint History

Property Location

Address: 3050 S LANCASTER RD
Market Area: 2DSN08
Mapsco: 55-X (DALLAS)

Legal Desc

- 1: BLK 6075
 - 2: ACS 9.98
 - 3:
 - 4: VOL2002013/0413 DD01011999 CO-DC
 - 5: 6075 000 00000 2DA6075 000
- Deed Transfer Date:** 1/17/2002

DCAD Property Map

[View Photo](#)



[Print Homestead Exemption Form](#)

[YAHOO! Maps](#)

Owner

DONALDSON PROPERTIES LTD
% SPIGEL PROPERTIES INC — General Partner
40 NE LOOP 410 STE 102
SAN ANTONIO, TEXAS 78216-5826

210-349-3636
Stanley Spigel
Richard Weinstein
331 W. Commercial
S.A.

Value

| 2004 Certified Values | |
|---|---------------|
| Improvement: | \$942,140 |
| Land: | + \$332,710 |
| Market Value: | = \$1,274,850 |
| Tax Agent: KLEIN & BARENBLAT | |
| Revaluation Year: | 2004 |
| Previous Revaluation Year: | 2001 |

3,000,000

318,970 Bld. #

1,028,208 Land #

Improvements

| # | Desc: RETAIL STRIP | Total Area: 205,667 sqft | Year Built: 1960 | |
|---|--|--------------------------|--|-----------------------------------|
| 1 | Construction Construction: C-MASONRY, BLOCK, TILT-WALL Foundation (Area): PIERS(251,350 sqft) Net Lease Area : 130,774 sqft # Stories: 2 # Units: 0 Basement (Area): UNASSIGNED(140,558 sqft) Heat: CENTRAL HEAT A/C: CENTRAL A/C | | Depreciation Physical: 1% Functional: + 0% External: + 0% Total: = 1% Quality: AVERAGE Condition: GOOD | Appraisal Method INCOME |
| | Construction Construction: B-REINFORCED CONCRETE FRAME Foundation (Area): PIERS(31,932 sqft) Net Lease Area : 26,970 sqft # Stories: 2 # Units: 0 Basement (Area): UNASSIGNED Heat: UNASSIGNED A/C: UNASSIGNED | | Depreciation Physical: 1% Functional: + 0% External: + 0% Total: = 1% Quality: AVERAGE Condition: AVERAGE | Appraisal Method INCOME |

Land

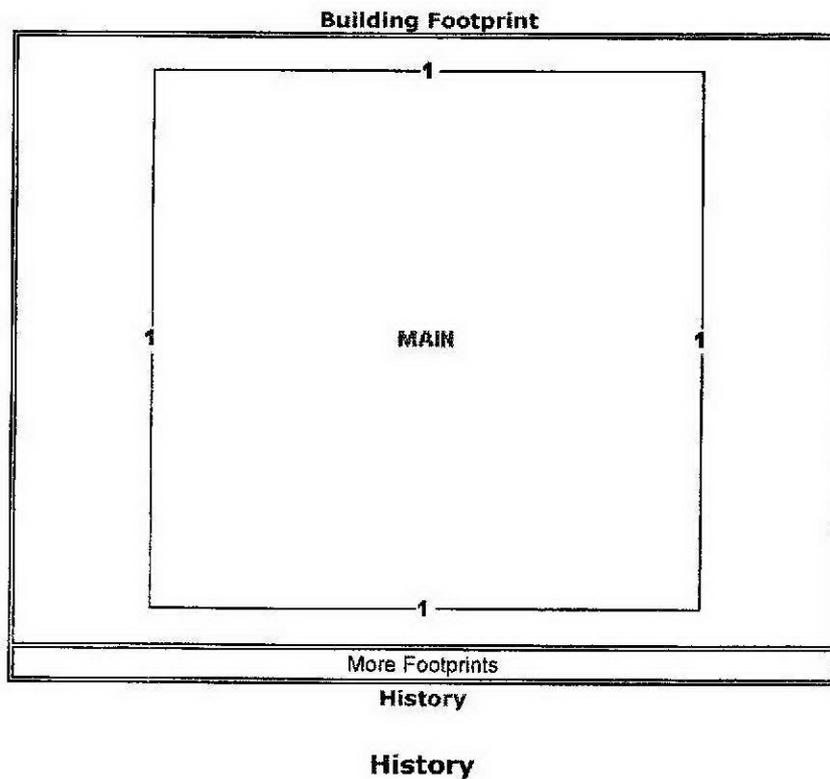
| # | State Code | Zoning | Frontage (ft) | Depth (ft) | Area | Pricing Method | Unit Price | Market Adjustment | Adjusted Price | Ag Land | A Us Val |
|---|-------------------------|---------------------------|---------------|------------|--------------------------|----------------|------------|-------------------|----------------|---------|----------|
| 1 | COMMERCIAL IMPROVEMENTS | COMMUNITY RETAIL DISTRICT | 0 | 0 | 443,615.0000 SQUARE FEET | STANDARD | \$1.00 | -25% | \$332,711 | N | \$ |

Exemptions
No Exemptions

Estimated Taxes

| | City | School | County | College | Hospital | Special District |
|-------------------------------|-------------|-------------|---------------|-----------------------------|-------------------|------------------|
| Taxing Jurisdiction | DALLAS | DALLAS ISD | DALLAS COUNTY | DALLAS CO COMMUNITY COLLEGE | PARKLAND HOSPITAL | UNASSIGNE |
| Tax Rate per \$100 | \$0.7197 | \$1.6694 | \$0.20936 | \$0.0803 | \$0.254 | \$0 |
| Taxable Value | \$1,274,850 | \$1,274,850 | \$1,274,850 | \$1,274,850 | \$1,274,850 | \$0 |
| Estimated Taxes | \$9,175.10 | \$21,282.35 | \$2,669.03 | \$1,023.70 | \$3,238.12 | \$0.00 |
| Tax Ceiling | | | | | N/A | N/A |
| Total Estimated Taxes: | | | | | | \$37,388. |

The estimated taxes are provided as a courtesy and should not be relied upon in making financial or other decisions. The Dallas Central Appraisal District (DCAD) does not control the tax rate nor the amount of the taxes, as that is the responsibility of the Taxing Jurisdiction. Questions about your taxes should be directed to the appropriate taxing jurisdiction. We cannot assist you with these matters. These tax estimates are calculated by using the most current certified taxable value multiplied by the most current tax rate. It does not take into account the Senior Citizen Ceiling, Agricultural Special Valuations or any other special or unique scenarios. If you wish to calculate taxes yourself, you may use the TaxEstimator to assist you.



© 2004 Dallas Central Appraisal District.
All Rights Reserved.
Website designed by ATS, Inc.



Home | Find Property | Contact Us

Commercial Account #0060760000000200

Location Owner Legal Desc Value Improvements Land Exemptions Estimated Taxes Building Footprint History

Property Location
Address: 3050 S LANCASTER RD
Market Area: 2DSN08
Mapsco: 55-X (DALLAS)

Legal Desc
1: BLK 6076 & PT 6075
2: ACS 13.4203
3:
4: VOL2002013/0413 DD01011999 CO-DC
5: 6076 000 00002 2006076 000
Deed Transfer Date: 1/17/1999

DCAD Property Map

View Photo



Print Homestead Exemption Form



Owner
DONALDSON PROPERTIES LTD
% SPIGEL PROPERTIES INC
40 NE LOOP 410 STE 102
SAN ANTONIO, TEXAS 78216-5826

| Value | |
|---|---------------|
| 2004 Certified Values | |
| Improvement: | \$1,386,710 |
| Land: | + \$438,448 |
| Market Value: | = \$1,825,158 |
| Tax Agent: KLEIN & BARENBLAT | |
| Revaluation Year: | 2004 |
| Previous Revaluation Year: | 2001 |

Improvements

| # | Desc: RETAIL STRIP | Total Area: 295,959 sqft | Year Built: 1960 |
|---|---|--|---|
| 1 | Construction | | Appraisal Method |
| | Construction: C-MASONRY, BLOCK, TILT-WALL Foundation (Area): PIERS(251,350 sqft) Net Lease Area : 188,196 sqft # Stories: 2 # Units: 0 Basement (Area): UNASSIGNED(140,558 sqft) Heat: CENTRAL HEAT A/C: CENTRAL A/C | | Depreciation Physical: 1% Functional: + 0% External: + 0% Total: = 1% Quality: AVERAGE Condition: GOOD |
| 2 | Desc: MALL AREA | Total Area: 26,970 sqft | Year Built: 1960 |
| | Construction | | Appraisal Method |
| Construction: B-REINFORCED CONCRETE FRAME Foundation (Area): PIERS(31,932 sqft) Net Lease Area : 26,970 sqft # Stories: 2 # Units: 0 Basement (Area): UNASSIGNED Heat: UNASSIGNED A/C: UNASSIGNED | | Depreciation Physical: 1% Functional: + 0% External: + 0% Total: = 1% Quality: AVERAGE Condition: AVERAGE | INCOME |

Land

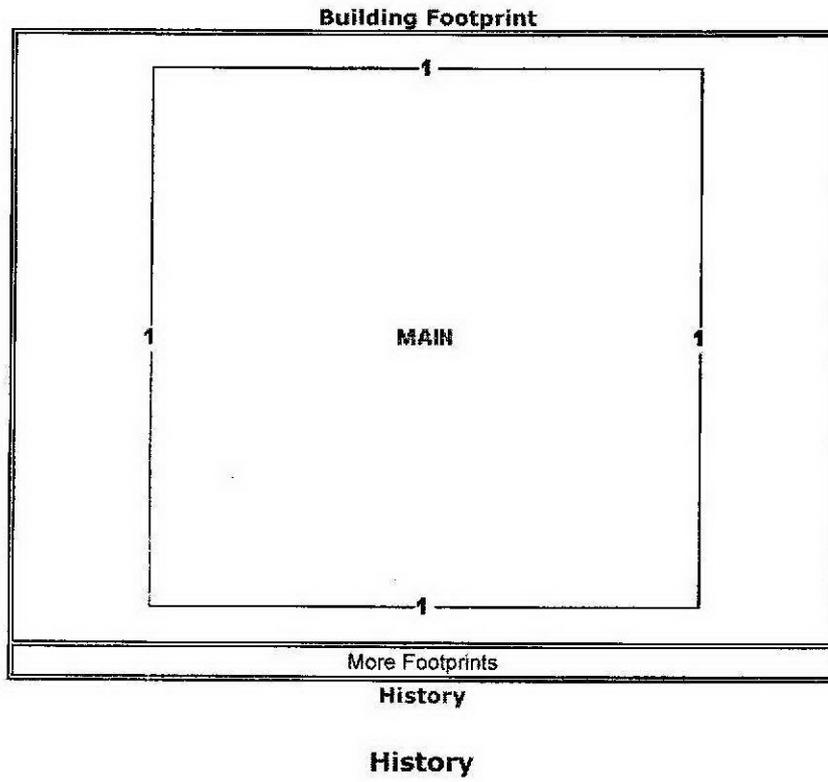
| # | State Code | Zoning | Frontage (ft) | Depth (ft) | Area | Pricing Method | Unit Price | Market Adjustment | Adjusted Price | Ag Land | A Us Val |
|---|-------------------------|---------------------------|---------------|------------|--------------------------|----------------|------------|-------------------|----------------|---------|----------|
| 1 | COMMERCIAL IMPROVEMENTS | COMMUNITY RETAIL DISTRICT | 0 | 0 | 584,588.0000 SQUARE FEET | STANDARD | \$1.00 | -25% | \$438,441 | N | \$ |

Exemptions
No Exemptions

Estimated Taxes

| | City | School | County | College | Hospital | Special District |
|-------------------------------|-------------|-------------|---------------|-----------------------------|-------------------|------------------|
| Taxing Jurisdiction | DALLAS | DALLAS ISD | DALLAS COUNTY | DALLAS CO COMMUNITY COLLEGE | PARKLAND HOSPITAL | UNASSIGNED |
| Tax Rate per \$100 | \$0.7197 | \$1.6694 | \$0.20936 | \$0.0803 | \$0.254 | \$0 |
| Taxable Value | \$1,825,150 | \$1,825,150 | \$1,825,150 | \$1,825,150 | \$1,825,150 | \$0 |
| Estimated Taxes | \$13,135.60 | \$30,469.05 | \$3,821.13 | \$1,465.60 | \$4,635.88 | \$0.00 |
| Tax Ceiling | | | | | N/A | N/A |
| Total Estimated Taxes: | | | | | | \$53,527. |

The estimated taxes are provided as a courtesy and should not be relied upon in making financial or other decisions. The Dallas Central Appraisal District (DCAD) does not control the tax rate nor the amount of the taxes, as that is the responsibility of the Taxing Jurisdiction. Questions about your taxes should be directed to the appropriate taxing jurisdiction. We cannot assist you with these matters. These tax estimates are calculated by using the most current certified taxable value multiplied by the most current tax rate. It does not take into account the Senior Citizen Ceiling, Agricultural Special Valuations or any other special or unique scenarios. If you wish to calculate taxes yourself, you may use the TaxEstimator to assist you.



© 2004 Dallas Central Appraisal District.
All Rights Reserved.
Website designed by ATS, Inc.