



January 22, 2021

~~BK Home Development, Inc.~~ WALL Development Inc.

8702 Adams Ln

Temple Texas 76502

**Re:** Foxwood Crossing

To Whom It May Concern:

WJH LLC, a Delaware limited liability company ("WJH") desires to purchase certain Property described below. This letter (the "Letter of Intent") confirms our intent to enter into an agreement (the "Agreement") for the purchase and sale of the Property upon the material terms and conditions set forth below. If said terms and conditions are acceptable to Seller, the Agreement will be prepared by the Buyer.

1. **Seller:** ~~BK Home Development, Inc.~~ WALL Development LLC.

2. **Buyer:** WJH LLC, a Delaware limited liability company

3. **Property:**

61-Vacant developed lots (Phase 1), Between 70-73 (lots)-To be developed lots (Phase 2&3), see Exhibit A -Up to 134 total lots. Final lot numbers for Phase 2 and 3 to be determined by 3/24/2021.

4. **Purchase Price:**

	Lot Status	Closing Date	# of Lots	Price / Lot	Purchase Price
<b>Lot Purchase #1</b> Phase 1	Vacant Developed	30 Days After City of Bryan Approval			
	Lots	<del>3/24/2021</del>	30	\$51,500	\$1,545,000
<b>Lot Purchase #2</b> Phase 1	Vacant Developed	60 Days After Lot Purchase # 1 Closing			
	Lots	<del>7/22/2021</del>	31	\$51,500	\$1,596,500
<b>Lot Purchase #3</b> Phase 3	To Be Developed	30 Days After City of Bryan Approval (On or Before 7/22/2022)			
	Lots	<del>7/22/2022</del>	35	\$52,500	\$1,837,500
<b>Lot Purchase #4</b> Phase 3	To Be Developed	30 Days After City of Bryan Approval (On or Before 11/23/2022)			
	Lots	<del>11/23/2022</del>	35	\$52,500	\$1,837,500



5. **Escrow Agent:**

Parkway Title, LLC  
3619 Paesanos Parkway, Suite 306  
San Antonio, TX 78231  
Attention: Gabriela Trevino  
Telephone: (210) 469-3441  
Email: Gabriela.Trevino@parkwaytitleco.com

6. **Deposit (Earnest Money):**

Buyer shall deposit \$100,000.00 with the Title Company within 5 business days after the Effective Date of the Contract Agreement.

In the event that Buyer issues the Notice of Continuation, the Buyer will deposit an additional \$152,500.00 with BK Home Development, Inc. within 5 business days after the expiration of the Inspection Period. Those funds will be attributable to the lots that are remaining to be developed. Earnest Money Deposit will be released to the Seller for the purpose of partially funding Sellers Development of the Property. Prior to the release of the deposit, the following must occur: 1. Seller shall execute and have recorded a Deed of Trust granting Buyer a second lien position against the Property, subject only to prior Deed of Trust to Sellers development lender, of whom shall be approved by the Buyer; 2. Buyer, Seller and Sellers lender execute a mutually acceptable Inter-creditor Agreement.

The deposits (collectively, "*Deposit*") will be credited to the Purchase Price at the Closing pro rata per the lots in the subject take down closing.

7. **Inspection Period:**

The "*Inspection Period*" shall expire 45 days after the Effective Date of the Agreement and Buyer's receipt of the "*Property Documents*" described below. If Buyer determines prior to the expiration of the Inspection Period that the Property is suitable to Buyer, Buyer may send written notice of its approval (the "*Notice of Continuation*") to Seller on or before the expiration of the Inspection Period, in which case this Agreement shall continue in full force and effect.

In the event that Buyer (A) fails to deliver the Notice of Continuation on or before the expiration of the Inspection Period the Agreement shall automatically terminate the day after expiration of the Inspection Period, or (B) after determining, in Buyer's sole and absolute, subjective judgment and discretion, that the Property is not suitable to Buyer, terminates this Agreement, by written notice to Seller delivered prior to the expiration of the Inspection Period, the Agreement shall terminate on the earlier of the date set forth in Buyer's termination notice or upon the expiration of the Inspection Period and, upon such termination, the Title Company shall immediately return the Deposit to Buyer and, thereafter, the parties shall have no further rights or obligations under this Agreement, except those that expressly survive the termination thereof.



8. **Property Documents:**

Within 5 business days after the Effective Date of the Agreement, Seller will provide Buyer with all information in Seller's possession and/or control regarding the ownership and potential development of the Property, including soils reports, environmental and endangered species reports, engineering plans and reports, existing surveys, construction plans, subdivision plans, correspondence from the City or County, flood studies, deed restrictions, and utility agreements and commitments.

9. **Survey:**

Seller will provide Buyer with existing boundary survey, final plat, and lot staking at seller's expense. The survey will be certified to Buyer, Seller and the Title Company and prepared in accordance with ALTA/ACSM commercial surveying standards.

10. **Title Insurance:**

Buyer

~~Seller~~ will cause the Title Company to issue a title commitment covering the Property to Buyer within twenty (20) business days after the Effective Date of the Agreement, together with copies of the title exception documents. Buyer will have until the expiration of the Inspection Period to object to any unacceptable matters shown. The title commitment will be updated 10 days prior to the Closing. Buyer may object to any new matters. ~~Seller~~ will pay all costs for an owner's policy of title insurance and Buyer will pay any requested endorsements. Buyer

11. **Closing:**

	<b>Lot Status</b>	<b>Closing Date</b>	<b># of Lots</b>	<b>Price / Lot</b>	<b>Purchase Price</b>
<b>Lot Purchase #1</b> Phase 1	Vacant Developed Lots	30 Days After City of Bryan Approval <del>3/24/2021</del>	30	\$51,500	\$1,545,000
<b>Lot Purchase #2</b> Phase 1	Vacant Developed Lots	60 Days After Lot Purchase # 1 Closing <del>7/22/2021</del>	31	\$51,500	\$1,596,500
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12. **Conditions to Closing:**

The following conditions must be satisfied prior to Closing (collectively, the "Conditions to Closing"):

- Seller's representations are true and correct
- No moratorium exists that would restrict the issuance of building permits upon proper application and payment thereof.



- There has been no casualty to the Property at the time of Closing and/or no condemnation
- The Title Company has irrevocably committed to issue the title policy to Buyer
- Buyer has obtained a minimum of 8 building permits
- Completion of all Subdivision and lot development work pursuant to the Approved Construction Plans
- Development Plans have been approved by the local Municipality
- Buyer's home plans have been approved as may be required by any governmental authority or local municipality and/or the Declarant or Homeowner's association
- Legal and Physical addresses to be established during inspection period

If the Conditions to Closing are not satisfied by the Closing Date, Buyer may extend the Closing until the conditions are satisfied **OR** for up to 30 days in order to satisfy the conditions, waive the condition and close, or terminate the Agreement and receive the Deposit.

13. **Ad Valorem Taxes:**

General real estate taxes for the Property shall be prorated as of the date of Closing. All fees, taxes and assessments imposed because of a transfer or change in use of the Property shall be the responsibility of Seller.

14. **HOA:**

HOA and Deed Restrictions will be agreed upon by the Buyer and Seller and will be recorded prior to the initial closing. Century Complete will manage and control the HOA. Copies of (i) the recorded declaration of covenants, conditions and restrictions for the homeowner's association ("HOA") for the Subdivision, (ii) the articles of incorporation and by-laws for the HOA, and (iii) the most recent financial reports and budget for the HOA (collectively, the "HOA Documents") will be distributed to the Buyer and Seller prior to the initial closing.

15. **Approval of Home Plans:**

Buyer will have sole control of Architectural Review Committee under the HOA.

16. **Development Complete:**

Seller will deliver a full set of Approved Development Plans to the buyer prior to expiration of the inspection period. Seller will supply copies of all necessary final inspection certifications from governing bodies prior to the initial closing. Seller will confirm that no material changes were made to Approved Development Plans or the site subsequent to permitting. Any changes made to either the Approved Development Plans or the site are subject to Buyer acceptance.



17. **Representations/Warranties:**

Seller shall provide Buyer with industry standard representations and warranties in the Agreement including, without limitation, as to the absence of environmental hazards.

18. **Real Estate Commission:**

No commission will be paid by WJH.

19. **Preparation of Agreement:**

Upon the mutual execution of this Letter of Intent, the Buyer shall cause the Agreement to be prepared, which shall reflect the transaction contemplated herein. Such Agreement shall be submitted to Seller for its review and approval. Buyer and Seller agree to use good faith efforts to negotiate and execute the Agreement. Except as may otherwise be provided herein, each party shall each pay its own expenses, including attorneys' fees, incurred in connection with all negotiations.

20. **Property Assumptions:**

The Purchase Price for the Property is based on our assumptions that the Property is zoned to permit single family residential construction for at least ~~134~~ lots, water and wastewater service is available at the boundary of or within the Property in the requisite capacities, detention will be built by the seller and in accordance to the Approved Construction Drawing, and no perimeter or off-property roadway improvements are required.

21. **Authority:**

The person(s) executing this Letter of Intent represent and warrant to the parties that they are authorized and empowered to execute this document on whose behalf they are signing. Upon acceptance of this letter and for a period of 30 days after, Seller agrees not to negotiate or accept any other offers to purchase the Property while Buyer and Seller work toward negotiating and executing a final contract.

22. **Acceptance:**

Seller shall have until **Wednesday, January 27, 2020 at 5pm** to accept and execute this Letter of Intent and provide notice of such to Buyer. Failure to execute or provide notice within the time frame specified shall make the provisions of the Letter of Intent null and void.



This letter sets forth general terms for a proposed purchase and sale of the Property. Except as set forth herein, this letter is only an expression of mutual interest and is not a binding agreement of either party. Binding obligations will arise only upon the parties' complete execution and delivery of a definitive purchase and sale contract in a form acceptable to both parties, which contract will contain additional terms and conditions not described above.

WJH believes there is a substantial opportunity for both parties to benefit from the proposed transaction. If this letter correctly reflects our discussions, please acknowledge your intent to sell the Property upon the above terms by signing below. We appreciate your consideration of this offer and look forward to working with you to complete this purchase.

AGREED and ACCEPTED this \_\_\_ day of \_\_\_\_, \_\_\_\_.

**BUYER**

DocuSigned by:

By: \_\_\_\_\_  
Name: Michael B. Madden  
Title: Director of Land Acquisition

DocuSigned by:

By: \_\_\_\_\_  
Name: Terry Montgomery  
Title: Regional President

**SELLER**

DocuSigned by:

By: \_\_\_\_\_  
Name: JC WALL III  
Title: Partner

