

COMMISSIONERS' COURT ADJOURNED TO EXECUTIVE SESSION AT 10:35 A.M. ON TUESDAY, MAY 29, 2001.

AGENDA ITEM 39

Discuss real estate, Juvenile Academy property: (EXECUTIVE SESSION REQUESTED as per VTCA Sec. 551.072 relating to real property.)

No action was taken in Executive Session.

AGENDA ITEM 40

Discuss parkland acquisition: (EXECUTIVE SESSION REQUESTED as per VTCA Sec. 551.072 relating to real property.)

No action was taken in Executive Session.

AGENDA ITEM 41

Discuss pending litigation: Williamson County v. Martin DiCarlo: (EXECUTIVE SESSION REQUESTED as per VTCA Sec. 551.071 consultation with attorney.)

No action was taken in Executive Session.

AGENDA ITEM 42

Discuss pending litigation: Zimmerhansel case (EXECUTIVE SESSION REQUESTED as per VTCA Sec. 551.071 consultation with attorney.)

No action was taken in Executive Session.

AGENDA ITEM 43

Discuss personnel: (EXECUTIVE SESSION REQUESTED as per VTCA Sec. 551.074 regarding personnel matters.)

No action was taken in Executive Session.

COMMISSIONERS' COURT RECONVENED FROM EXECUTIVE SESSION AT 11:13 A.M. ON TUESDAY, MAY 29, 2001.

AGENDA ITEM 44

Discuss and take any appropriate action on jail/courthouse annex expansion.

No action was taken on this agenda item. A work session is scheduled for 10:00 a.m., June 8, 2001.

AGENDA ITEM 45

Discuss and take any appropriate action on Juvenile Academy property.

Moved: **Judge Doerfler**

Seconded: **Commissioner Limmer**

Motion: To authorize the sale of the Juvenile Academy property.

Vote: **4 - 0**

It was noted that the closing date on the sale would be September 15, 2002.

< Attachment >

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE ("Agreement") is made by and between ("Seller") Williamson County, Texas, (a political subdivision of the State of Texas, acting by and through its authorized County Judge, after motion and vote of the Commissioner's Court) and The Talisman Group, Inc. and/or assigns ("Purchaser").

ARTICLE 1: PROPERTY/PURCHASE PRICE

1.1 Property. Subject to the terms and conditions of this Agreement, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, (i) the approximate 38,400 square feet or 0.8815-acre real property located at 1102 S. Austin Avenue, Georgetown, Texas, known as Tract 1: the Williamson County Juvenile Academy, and (ii) the approximate 9,800 square feet or 0.225-acre real property located on 11th Street, midway between Austin Avenue and Rock Street, Georgetown, Texas, known as Tract II, both being described in Exhibit A attached hereto and incorporated herein by this reference, together with all and singular the rights, benefits, privileges, easements, tenements, hereditaments, and appurtenances hereunto belonging or appertaining thereto, and Seller's rights, easements or other interests, if any, in and to adjacent streets, alleys and rights-of-way, or other property abutting such real property, and together with any and all water and water rights, wells, well rights and well permits, water and sewer taps, sanitary or storm sewer capacity or reservations and rights under utility agreements with any applicable governmental or quasi-governmental entities or agencies with respect to the providing of utility services after to such real property (all of the foregoing being collectively hereinafter.

1.2 Purchase Price. The purchase price for the Property ("Purchase Price") is One Million Thirty Thousand Dollars and no/100 Dollars (\$1,030,000.00), payable at Closing in immediately available federal funds.

1.3 Earnest Money. Within three (3) business days after the date this Agreement is fully executed by the parties, Purchaser shall deposit with Commonwealth Title Co. of Austin, Inc., 20 Chisholm Trail, Round Rock, Texas 78681 Attention Kim Smyth ("Title Company") by delivery of a check (supported by sufficient funds and to be cashed immediately) or by wire transfer in the amount of Ten Thousand and no/100 Dollars (\$10,000.00) as earnest money (such amount and any interest earned -thereon, is called the "Earnest Money"). The Earnest Money shall, if requested by Purchaser, be invested by the Title Company in U.S. government obligations or federally insured certificates of deposit or deposit accounts at the direction of Purchaser. The Title Company shall pay the Earnest Money to Seller at and upon the Closing as a credit to the Purchase Price, or otherwise, to the party entitled to receive the Earnest Money in accordance with this Agreement. The parties shall execute such certificates and other written confirmations as the Title Company may reasonably require with regard to the disposition of the Earnest Money in accordance with this Agreement. The Earnest Money becomes non-refundable to Purchaser upon the expiration of the Feasibility Period, as defined herein except in the event of default by Seller.

ARTICLE 2: INSPECTION AND FEASIBILITY PERIOD

2.1 Documents in Seller's Possession. Seller shall provide Purchaser within five (5) business days after the Effective Date with the following, to the extent the following are in the Seller's possession or reasonably available to Seller, and pertain to the Property: (1) copies of the latest property tax bills and value renditions from all taxing authorities; (ii) copies of any environmental reports; (iii) copies of all plans, permits, maps, approvals, surveys (including boundary, topographic and tree surveys); (iv) copies of any subdivision reports; (v) copies of any covenants, ordinances, conditions and restrictions; (vi) copies of any soil and engineering reports; (vii) copies of governmental zoning letters; and (viii) copies of all agreements, studies, reports, correspondence and other documents relating to the presence or absence of any endangered species or environmentally sensitive areas on the Property.

2.2 Feasibility Period. During the Feasibility Period (as hereinafter defined), Purchaser shall have the right to investigate and inspect the Property to determine whether or not the Property is suitable for Purchaser's intended use. Among the factors that may be considered by Purchaser are the zoning and other



restrictions on the use of the Property, availability of utilities, access to and from the Property, soil and subsoil conditions, drainage, market studies, available financing, the economic feasibility of any future development of the Property and any or all other matters which Purchaser may deem relevant in its sole and absolute discretion. Purchaser may make inquiries with third parties, including, without limitation, tenants, lenders, contractors, property managers, parties to service contracts, and municipal, local, and other governmental officials and representatives regarding the Property. If Purchaser determines, in Purchaser's sole judgment and discretion, that the Property is suitable for Purchaser's intended use and is otherwise acceptable to Purchaser, Purchaser shall give Seller written notice of such fact on or before the end of the Feasibility Period. Otherwise, if such notice from Purchaser is NOT timely given, the Agreement shall terminate and the Title Company shall deliver the \$100.00 of the Earnest Money to Seller (as independent consideration for the inspection and review rights granted to Purchaser during the Feasibility Period) and shall refund the balance of the Earnest Money to Purchaser, and both parties shall be released from all further obligations under this Agreement. If Purchaser DOES send such written notice to Seller, then it shall be conclusively deemed that the Property is suitable for Purchaser's intended use, and this Agreement shall not terminate. For the purpose of this Agreement, the term "Feasibility Period" shall mean a period of one hundred eighty (180) days after the Effective Date. In the event that the necessary development, zoning, variance, and permitting approvals from the City of Georgetown or other municipal authorities have not been obtained, Purchaser shall be entitled to one (1), ninety (90) day extension of the Feasibility Period upon deposit of an additional Ten Thousand and no/100 Dollars (\$10,000) Earnest Money with Title Company. Upon the expiration of the one hundred eighty (180) day period and subsequent ninety (90) day period the Earnest Money on deposit with the Title Company on the respective dates shall be non-refundable to Purchaser, except in the event of default by Seller.

2.3 Environmental Inspection. During the term of this Agreement, Purchaser, at its sole cost and expense, shall have the continuing right to inspect the Property and conduct such tests (including sampling and invasive testing) as it may deem necessary or appropriate and obtain an environmental report to determine if there are any Hazardous Materials (as hereinafter defined in Paragraph 4. 1) located on or under the Property. Purchaser and its agents shall have the right of reasonable access to the Property for the purpose of making such inspections and conducting such tests. If Purchaser determines that the Property contains any Hazardous Materials, Purchaser, at its option, may terminate this Agreement by written notice to Seller delivered on or before the end of the Feasibility Period, and receive a refund of all Earnest Money. The environmental report shall include, without limitation, determination as to any land on the Property not developable by reason of wetlands or other environmental or physical condition. All information discovered with reference to said physical condition of said property shall remain confidential but must be shared with the seller.

2.4 Access to Property During the Term of the Agreement. Purchaser and Purchaser's agents shall have the right of access to the Property until the Closing Date (as hereinafter defined in paragraph 3. 1) for the purpose of conducting such investigations and inspections described in Sections 2.2 and 2.3 above.

2.5 Purchaser's Indemnity. Purchaser shall not cause or permit damage or injury to the Property, and Purchaser shall repair any damage or injury to the Property resulting from Purchaser's investigation and inspection of the Property. Purchaser shall indemnify and hold harmless Seller on account of any claims, causes of action, damages, and expenses (including attorney's fees) arising out of or relating to the acts of Purchaser, its agents and employees under the provisions of this Article 2.

2.6 Title Review.

(a) Title Commitment. Within thirty (30) days after the Effective Date, Seller, at Seller's sole cost and expense, shall deliver or cause to be delivered to Purchaser a Commitment for Title Insurance ("Title Commitment") from the Title Company addressed to Purchaser. The Title Commitment shall set forth the current status of title to the Property, shall commit to delete all standard printed exceptions (including, without limitation, the survey exception), and shall show all liens, claims, encumbrances, easements, rights-of-way, encroachments, reservations, restrictions, and any other matters of record affecting the Property and shall commit to issue to Purchaser the Title Policy (as hereinafter defined in paragraph 3.5). The Title Company shall furnish a true, complete, and legible copy of all documents referred to in the Title Commitment, including, but not limited to, deeds, lien instruments, plats, reservations, restrictions, and easements.



(b) Survey. Within thirty (30) days after the Effective Date, Purchaser, at Purchaser's sole cost and expense, may order a current survey ("Survey") prepared by a licensed surveyor acceptable to Purchaser and the Title Company. If available, at Purchaser's option, the existing survey in possession of Seller may be re-certified to the current date. The Survey shall be certified to Purchaser and shall include: (i) the actual dimensions of, and area within, the Property and a separate metes and bounds description of the Property; (ii) field notes of the Property; (iii) the location of any and all easements, set-back lines, encroachments, overlaps, roadways, or waterways which exist on the Property; (iv) the outside boundary lines of all improvements located on the Property; (v) all easements, set-back lines, and other matters referred to on the Title Commitment by volume and page reference; (vi) the surveyor's registered number and seal, the date of the survey, and the form of Surveyor's Certificate attached hereto as Exhibit B and incorporated herein by this reference; (vii) a statement that there is access to and from the Property from a publicly dedicated street or road; (viii) information sufficient to cause the Title Company to delete the standard printed exception for survey matters from the Title Policy; and (ix) identification of any area within the Property that has been designated by the Federal Emergency Management Agency, Federal Insurance Administration, the Army Corps of Engineers, or any other governmental agency or body as being subject to special flooding hazards, and (x) location of all trees, and (xi) topographic contours.

(c) Review of Title Commitment and Survey. Purchaser shall have forty-five (45) days from receipt of the last of the Title Commitment and Survey, to examine both the Title Commitment, together with copies of all documents referred to therein, and the Survey and to specify to Seller those items reflected thereon which Purchaser will accept as permitted exceptions to title ("Permitted Exceptions"), and those items which Purchaser finds objectionable ("Title Objections"). Seller, at Seller's sole cost and expense, shall use all reasonable efforts to correct or remove all Title Objections, give Purchaser written notice thereof, and deliver at or prior to Closing an amended Title Commitment and Survey reflecting the correction or deletion of such matters. For purposes of this Agreement, "correction" of a Title Objection shall include obtaining an endorsement from the Title Company insuring over such Title Objection to the satisfaction of Purchaser. If Purchaser does not deliver to Seller a written notice specifying those items which are Permitted Exceptions and Title Objections within the above-stated time period, then all of the items reflected on the Title Commitment shall be considered to be Permitted Exceptions. Any liens affecting the Property, other than liens specifically provided for in this Agreement, shall be Title Objections, and Seller shall cause the liens to be released at or prior to Closing.

(d) Uncorrected Title Objections. If Seller (i) fails to cause all of the Title Objections to be corrected or removed within seven (7) days after Purchaser's notice to Seller of the Title Objections, or (ii) gives written notice to Purchaser that Seller cannot correct or remove all of the Title Objections, Purchaser shall have the following rights only:

(1) Purchaser may terminate this Agreement by giving Seller written notice thereof, in which event the Earnest Money shall be returned to Purchaser, and both parties shall be released from all further obligations under this Agreement; or

(2) Purchaser may elect to purchase the Property subject to any Title Objections which are not corrected or removed; or

In order to terminate this Agreement as provided above, Purchaser must give written notice thereof within 15 days after the earlier of (i) the expiration of the 7-day period in which Seller may correct or remove the Title Objections or (ii) the written notice from Seller that Seller cannot or will not correct the Title Objections. If Purchaser fails to give such written notice of termination within the time required herein, it shall be conclusively deemed that Purchaser has elected to waive the Title Objections not so corrected or removed and has accepted them as Permitted Exceptions.

ARTICLE 3: CLOSING

3.1 Closing Date. The consummation of the transaction contemplated herein ("Closing") shall occur at the office of the Title Company or at such other location to which the parties may agree, and shall take place on or before September 1, 2002, after completion of the Feasibility Period (the "Closing Date"), or earlier at Purchaser's option, if Seller has vacated the property, with at least ten (10) business days written notice to



3.2 Seller's Deliveries in Escrow. At the Closing, Seller shall deliver to the Title Company the following documents:

(a) Deed. A general warranty deed in a form acceptable to Purchaser (the "Deed"), executed and acknowledged by Seller, conveying to Purchaser fee simple title to the Property, subject only to the Permitted Exceptions;

(b) Assignment of Permits and Utility Rights. Such assignments and other documents and certificates as Purchaser may reasonable require in order to fully and completely transfer and assign to Purchaser all of Seller's right, title, and interest, if any, in and to any permits, drainage agreements, utility agreements and similar rights applicable to the Property, including wastewater capacity and reservation rights, and all documents and contracts related thereto;

(c) FIRPTA. A Foreign Investment in Real Property Tax Act Affidavit executed by Seller. If Seller fails to provide the necessary affidavit and/or documentation of exemption on the Closing Date, Purchaser may proceed with withholding provisions as provided by law;

(d) Form 1099S. A Form 1099S executed by Seller;

(e) Authority. Evidence of existence, organization, and authority of Seller and the authority of the person executing documents on behalf of Seller reasonably satisfactory to Purchaser and the Title Company; and

(f) Additional Documents. Any additional documents that Purchaser or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement.

3.3 Purchaser's Deliveries in Escrow. At the Closing, Purchaser shall deliver to the Title Company the following:

(a) Purchase Price. The Purchase Price, less the Earnest Money, plus or minus applicable prorations, deposited by Purchaser with the Title Company in immediate, same-day federal funds (all or any part of which may be the proceeds of a loan) wired for credit into such account as the Title Company may designate;

(b) Authority. Evidence of existence, organization, and authority of Purchaser and the authority of the person executing documents on behalf of Purchaser reasonably satisfactory to Seller and the Title Company; and

(c) Additional Documents. Any additional documents that Seller or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement.

3.4 Closing Statements/Escrow Fees. At the Closing, Seller and Purchaser shall execute closing statements consistent with this Agreement in form required by the Title Company. The Title Company's escrow fee shall be divided equally between and paid by Seller and Purchaser.

3.5 Title Policy. *Commonwealth* The Title Company shall deliver to Purchaser at Seller's expense an Owner's Policy of Title Insurance issued by ~~Georgetown~~ Title Company ("Title Insurer"), with extended coverage endorsement (if available), dated the date and time of the recording of the Deed in the amount of the Purchase Price, insuring Purchaser as owner of good and indefeasible, fee simple title to the Property, subject only to: (i) Taxes for the year of Closing and subsequent years, not yet due and payable; (ii) Shortages in Area; and (iii) the Permitted Exceptions (the "Title Policy") and any additional endorsements reasonably requested by Purchaser. The Title Policy may be delivered within a reasonable time after the Closing if that is the custom for the locality and if the Title Insurer at the Closing irrevocably commits in writing to issue the Title Policy as described above.

3.6 Possession. Seller shall deliver possession of the Property to Purchaser at the Closing subject only to the Permitted Exceptions.



3.7 Taxes and Special Assessments. General real estate taxes ("Taxes") for the then-current calendar year or other applicable tax period shall be apportioned or prorated between Seller and Purchaser as of the close of the day preceding the Closing Date. If the Closing occurs prior to the receipt by Seller of the tax bill for the calendar year or other applicable tax period in which the Closing occurs, Purchaser and Seller shall prorate Taxes for such calendar year or other applicable tax period based upon the most recent ascertainable assessed values and tax rates but not less than one hundred five percent (105%) of the tax bill for the previous calendar year or other applicable tax period. All prorations shall be based upon fraction determined by dividing the number of days elapsed through the date of Closing by 365.

If the proration provided for in this paragraph is not based upon the actual taxes for the calendar year in which the Closing occurs, the parties shall adjust such prorations when the actual taxes are known. Seller shall be solely responsible for the payment of any and all special assessments affecting the Property at or prior to Closing, whether or not any such special assessments are due and owing at the time of Closing. Seller warrants and represents that no part of the Property is assessed as agricultural or other exemption for tax purposes and that no roll back taxes will become effective or become due and payable by the development of the Property.

3.8 Costs and Expenses Not Assumed by Purchaser. Unless otherwise expressly agreed in writing between Seller and Purchaser, no cost or expense related to the ownership of the Property and allocable to any period before Closing shall be charged to or paid or assumed by Purchaser except as expressly provided for in this Agreement.

3.9 Close of Escrow. Upon satisfaction or completion of the foregoing conditions and deliveries and performance by each party of its obligations required to be performed at the Closing, the parties shall direct the Title Company to immediately record and deliver the documents described above to the appropriate parties and make the disbursements according to the closing statements executed by Seller and Purchaser.

ARTICLE 4: REPRESENTATIONS AND WARRANTIES

4.1 Seller's Representations and Warranties. As a material inducement to Purchaser to execute this Agreement and consummate this transaction, Seller represents and warrants to Purchaser that:

(a) Organization and Authority. Seller has been duly organized and is validly existing in the State of Texas and is qualified to do business in the State of Texas. Seller has the full right and authority and has obtained any and all consents required therefor to enter into this Agreement, consummate or cause to be consummated the sale and make or cause to be made transfers and assignments contemplated herein. This Agreement and all of the documents to be delivered by Seller at the Closing have been authorized and properly executed and will constitute the valid and binding obligations of Seller, enforceable against Seller in accordance with their terms.

(b) Conflicts. There is no agreement to which Seller is a party or, to Seller's knowledge, binding on Seller which is in conflict with this Agreement.

(c) Contractors. Seller has entered into no contracts or agreements affecting the Property. No labor has been performed or materials furnished for the Property or any part thereof nor is any such work or material to be performed at the Property for which a mechanics' or materialmen's lien or liens or any other lien can be claimed by any person.

(d) Pending Actions. There is no action or proceeding pending or, to Seller's knowledge, threatened against the Property or which challenges or impairs Seller's ability to execute, deliver or perform this Agreement.

(e) Notice of Violations. Seller has received no notice that either the Property, or the use thereof, violates any laws, rules or regulations of any federal, state, city or county government or any agency, body or subdivision thereof having any jurisdiction over the Property that have not been resolved to the satisfaction of the issuer of the notice.



(f) Agreements with Governmental Agencies/Restrictions. Seller has not entered into and has no knowledge of any agreement with and has not made any application to any governmental agency or body with respect to any zoning modification or variance or exception to platting or other matter. To Seller's knowledge, neither Seller nor the Property is in violation or noncompliance with any restriction or covenant affecting the Property.

(g) Disclosures. There is no material fact known to Seller and not disclosed in writing to Purchaser by Seller which would make the Property unsuitable for development of the Project.

(h) Real Estate Taxes and Assessments. All Taxes for the year 2000 and all prior years have been paid in full, and no Taxes for the year 2001 are delinquent. All impact fees or other assessments, fees or charges, however denominated, which may constitute a lien or charge on the Property or which have been assessed or charged against the Property prior to Closing as a result of any permit, license or approval obtained by the Seller for the Property have been paid in full, and to Seller's knowledge there is not presently pending any such assessment, fees or charges of any nature with respect to the Property or any part thereof, nor has Seller received any notice of any such assessments, fees or charges being contemplated.

(i) Hazardous Materials. Seller has no actual knowledge of any noncompliance or violation of Environmental Laws related to the Property or the presence or release of Hazardous Materials on or from the Property except as disclosed in any environmental reports in Seller's possession which have been delivered to Purchaser within the period provided for in Section 2.1 above. The term "Environmental Laws" shall include, without limitation, the Clean Air Act, 42 U. S. C. 7401 et. seq.; the Clean Water Act, 33 U. S. C. 1251 et. n., and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. 136 et. seq.; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. 1401 et. seq.; the National Environmental Policy Act, 42 U.S.C. 4321 et. seq.; the Noise Control Act, 42 U.S.C. 4901 et. seq.; the Occupational Safety and Health Act, 29 U.S.C. 651 et. seq.; the Resource Conservation and Recovery Act ("RCRA") 42 U.S.C. 6901 et. n., as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. 300f et. seq.; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. 9601 et. seq., as amended by the Superfund Amendments and Reauthorization Act, and the Emergency Planning and Community Right-to-Know Act; the Toxic Substance Control Act ("TSCA"), 15 U.S.C. 2601 et. seq.; and the Atomic Energy Act, 42 U.S.C. 2011 et. seq.; all as may be amended, with implementing regulations and guidelines. Environmental Laws shall also include all state, regional, county, municipal and other local laws, regulations and ordinances that are equivalent or similar to the federal laws recited above or purport to regulate Hazardous Materials. The term "Hazardous Materials" shall include, without limitation, any hazardous substance, pollutant, or contaminant regulated under CERCLA; oil and petroleum products and natural gas, natural gas liquids, liquefied natural gas, and synthetic gas usable for fuel; pesticides regulated under FIFRA; asbestos, polychlorinated biphenyl's, and other substances regulated under TSCA; source material, special nuclear material, and by-product materials regulated under the Atomic Energy Act; and industrial process and pollution control wastes to the extent regulated under applicable Environmental Laws. The representations and warranties made in this Section 4.j) shall expressly survive the Closing.

(j) Condemnation. To Seller's knowledge, no condemnation proceedings relating to the Property are pending or threatened with regard to the Property.

(k) Ownership. Seller is the sole owner of fee title to the Property

4.2 Purchaser's Representations and Warranties. As a material inducement to Seller to execute this Agreement and consummate this transaction, Purchaser represents and warrants to Seller that:

(a) Organization and Authority. Purchaser or its affiliates has been duly organized and is validly existing as a Texas Corporation, in good standing in the State of Texas, and qualified to do business in the state in which the Property is located. Purchaser has the full right and authority and has obtained any and all consents required therefor to enter into this Agreement. The persons signing this Agreement on behalf of Purchaser are authorized to do so. All of the documents to be delivered by Purchaser at the Closing will have been authorized

and properly executed and will constitute the valid and binding obligations of Purchaser, enforceable against Purchaser in accordance with their terms.

(b) Conflicts. There is no agreement to which Purchaser is a party or to Purchaser's knowledge binding on Purchaser which is in conflict with this Agreement.

4.3 Survival of Representation, Warranties and Covenants. The continued validity in all respects of the foregoing representations and warranties shall be a condition precedent to the obligation of the party to whom the representation and warranty is given to close this transaction. In the event at any time prior to Closing Seller learns or has reason to believe that any of Seller's representations and warranties are no longer true or correct, Seller shall immediately notify Purchaser in writing and therein specify the factors rendering or likely to render such representations or warranties untrue or incorrect. If any of Seller's representations and warranties shall not be true and correct at any time on or before the Closing Date whether or not true and correct as of the date of this Agreement or whether any change in facts or circumstances has made the applicable representation and warranty no longer true and correct and regardless as to whether the applicable representation or warranty is qualified to Seller's knowledge or otherwise, then Purchaser may, at Purchaser's option exercised by written notice to Seller, either (i) proceed with this transaction, accepting the applicable representation and warranty as being modified by Seller's notification, if any, or (ii) terminate this Agreement and declare this Agreement of no further force and effect, in which event the Earnest Money shall promptly be returned to Purchaser. Purchaser may elect such option whether or not Seller has notified Purchaser as provided above. All representations and warranties set forth above shall be continuing and deemed remade as of the Closing Date. All representations and warranties of Seller set forth above shall survive the Closing.

4.4 Indemnity. To the extent permitted by law, and without waiving any other rights, each party ("indemnitor") agrees to indemnify the other ("Indemnitee") and hold the indemnitee harmless with respect to any claims, damages, or losses, whether known, disclosed or undisclosed, arising from any misrepresentation or breach of warranty by the indemnitor under this Agreement. The indemnitee shall provide the indemnitor with notice of any claims of liability with reasonable promptness and the indemnitee, at its election, shall have the right of defense in such proceeds by counsel of its own choosing at the indemnitor's expense. The indemnitee shall cooperate fully in all respects with the indemnitor in any such defense including, without limitation, by making available to indemnitor all pertinent information under the control of Indemnitee. If indemnitee does not notify indemnitor within ten (10) days of indemnitee's notice to indemnitor of a potential claim that indemnitor will defend the same or should such indemnitor fail to file any answer or other pleading at least five (5) days before the same is due, Indemnitee may defend or settle such claim or action in such manner as indemnitee deems appropriate at indemnitor's sole cost and expense, provided that such claim is properly subject to the indemnity set forth above. If indemnitor so notifies indemnitee concurrently within indemnitor's notice of election to defend, indemnitor may defend, but not settle a claim without waiving its rights to assert that such claim is not subject to the indemnity. If indemnitor elects to defend a claim, indemnitee may at indemnitee's expense participate in such matter with counsel of indemnitee's own choosing.

ARTICLE 5: CONDEMNATION

5.1 Condemnation. In the event of any threatened, contemplated, commenced or consummated proceedings in eminent domain prior to Closing (notice of which shall be given to Purchaser by Seller immediately) respecting the Property, Purchaser may, at its option, by notice to Seller given within ten (10) days after Purchaser is notified of such actual or possible proceedings (but before the Closing): (i) unilaterally terminate this Agreement and the Earnest Money shall be immediately returned to Purchaser; or (ii) proceed under this Agreement, in which event Seller shall, at the Closing, assign to Purchaser its entire right, title and interest in and to any condemnation award, and Purchaser shall have the right during the pendency of this Agreement to assist in the negotiations and otherwise deal with the condemning authority in respect of such matter.

ARTICLE 6: REMEDIES

6.1 Seller Default. If Seller shall default in the performance of any of its obligations hereunder, and if such default is not cured within ten (10) days after written notice to Seller specifying such default,



Purchaser shall have all rights and remedies to which it may be entitled by law and under this Agreement (including the right to specific performance). In addition to any other right or remedy of Purchaser under or by reason of this Agreement, in the event of a default by Seller prior to or on the Closing Date, the Earnest Money shall be promptly refunded to Purchaser upon demand.

6.2 Purchaser Default. If all of the conditions to Purchaser's obligation to purchase the Property have been satisfied or waived in writing by Purchaser and if Purchaser should fall to consummate this transaction for any reason other than Seller's default, or the exercise by Purchaser of an express right of termination granted herein, Seller's sole remedy in such event shall be to terminate this Agreement and to retain the Earnest Money as liquidated damages, Seller waiving all other rights or remedies in the event of such default by Purchaser. The parties acknowledge that Seller's actual damages in the event of a default by Purchaser under this Agreement will be difficult to ascertain, and that such liquidated damages represent the parties' best estimate of such damages.

ARTICLE 7: MISCELLANEOUS

7.1 Listing and Other Offers. Upon the execution of this Agreement, Seller shall remove the Property from the market and cease all discussions with other prospective purchasers until the earlier of the termination of the Agreement or the Closing Date. Additionally, Seller will not list the Property with any broker or otherwise solicit or make or accept any offers to sell the Property, engage in any discussions or negotiations with any third party with respect to the sale or other disposition of the Property, or enter into any contracts or agreements, whether or not binding, to sell or otherwise dispose of the Property.

7.2 Commissions. Seller and Purchaser represent and warrant each to the other that they have not dealt with any real estate broker, sales person or finder in connection with this transaction other than Matthew S. Marshall, StoneCrest Services (representing the Purchaser) and Don Quick, Don Quick & Associates, Inc. (representing the Seller) (collectively the "Brokers"). If and only if this transaction is closed, Seller shall pay to Brokers a sales commission of six percent (6 %) of the Purchase Price, which shall be split equally. If this transaction fails to close for any reason, including the default of either party, no commission shall be deemed to have been earned or payable. Except as set forth above, Seller and Purchaser each agree to indemnify, defend and hold the other harmless from and against any loss, cost, liability or expense suffered or incurred by the other party as a result of a claim or claims for brokerage commissions, finder's fees or other similar fees from any party or firm that is based on the act or omission of the party in breach of the above warranty.

7.3 Parties Bound. Purchaser may assign this Agreement to its designee at any time prior to Closing. Seller may not assign this Agreement before Closing without the prior written consent of Purchaser, and any such prohibited assignment shall be void. Subject to the foregoing, this Agreement and all provisions hereof, including, without limitations, all representations and warranties made hereunder, shall extend to, be obligatory upon and inure to the benefit of the respective heirs, devisees, legal representatives, successors, assigns, and beneficiaries of the parties hereto. No assignment by either party shall relieve such party of any obligation under this Agreement whether arising before or after such assignment.

7.4 Readings. The article and section headings of this Agreement are for convenience only and in no way limit or enlarge the scope or meaning of the language hereof.

7.5 Invalidity. If any portion of this Agreement is held invalid or inoperative, then so far as is reasonable and possible the remainder of this Agreement shall be deemed valid and operative, and effect shall be given to the intent manifested by the portion held invalid or inoperative. The failure by either party to enforce against the other any term or provision of this Agreement shall be deemed not to be a waiver of such party's right to enforce against the other party the same or any other such term or provision.

7.6 Governing Law. This Agreement and said other instruments shall, in all respects, be governed, construed, applied and enforced in accordance with the state in which the Property is located.

7.7 Survival. The provisions of this Agreement that contemplate performance after the Closing shall survive the Closing and shall not be deemed to be merged into or waived by the instruments of Closing.



05/29/2001

7.8 No Third Party Beneficiary. This Agreement is not intended to give or confer any benefits, rights, privileges, claims, actions or remedies to any person or entity as a third party beneficiary, decree, or otherwise.

7.9 Entirety and Amendments. This Agreement embodies the entire agreement between the parties and supersedes all prior agreements and understandings relating to the Property. This Agreement may be amended or supplemented only by an instrument in writing executed by the party against whom enforcement is sought.

7.10 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one Agreement. To facilitate execution of this Agreement the parties may execute and exchange by telephone facsimile counterparts of the signature pages.

7.11 Further Assurances. In addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by Seller to Purchaser at Closing, Seller agrees to perform, execute and/or deliver or cause to be delivered, executed and/or delivered, but without any obligation to incur any additional liability or expense, on or after the Closing any and all further acts, deeds and assurances as may be reasonably necessary to consummate the transactions contemplated herein and/or to further perfect and deliver to Purchaser the conveyance, transfer and assignment of the Property and all rights related thereto.

7.12 Time. Time is of the essence in the performance of each and every term, condition and covenant contained in this Agreement.

7.13 Confidentiality; Recordation. Each party shall maintain the confidentiality of the terms of this Agreement to ensure that no information related to this Agreement is disclosed to outside brokers or the public without the prior written consent of the other party. Purchaser may make such disclosure of this Agreement and the matters referred to herein as it may deem appropriate to investors, lenders, rating agencies, creditors, and others in the ordinary course of its business. The foregoing to the contrary notwithstanding, Purchaser shall have the right to disclose to its investor(s) or lender the terms of this Agreement or a memorandum of this Agreement. In the event that Purchaser desires to record a memorandum of this Agreement, Seller agrees to execute such memorandum.

7.14 U.S. Currency Required. All sums referred to herein shall be in currency of the United States of America.

7.15 Attorneys' Fees. Should either party employ attorneys to enforce any of the provisions herein, the party losing in any final judgment agrees to pay the prevailing party all reasonable costs, charges and expenses, including attorneys' fees, expended or incurred in connection therewith.

7.16 Use of Pronouns. The use of the neuter singular pronoun to refer to Seller and Purchaser shall be deemed a proper reference, even though Seller or Purchaser may be an individual, partnership or a group of two or more individuals. The necessary grammatical changes required to make the provisions of this Agreement apply in the plural sense where there is more than one seller or purchaser and to either partnerships or individuals (male or female) shall in all instances be assumed as though in each case fully expressed.

7.17 Notices. All notices required or permitted herein shall be in writing and shall be served on the parties at the following address:

If to Seller: Williamson County Courthouse.
Attn: John Doerfler, County Judge 2nd Floor
Georgetown, TX 78626
Telephone: (512) 943-1550
Facsimile: (512) 943-1662

With a copy to:

County Attorney Eugene. D Taylor
405 M. L.K. Blvd., Box 7,
Georgetown, Texas, 78626
(512) 943-1111
(512) 943-1120

If to Purchaser:

The Talisman Group, Inc.
3563 Far West Blvd., Ste. 107
Austin, Texas 78731
Attn: James T. Ross
Telephone: (512) 418-4477
Facsimile: (512) 418-4470

With a copy to:

Brian C. Rider
2906 Hatley #200
Austin, Texas 78746
Telephone: (512) 329-0100
Facsimile: (512) 434-5780

Any such notices shall be either: (a) sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three business days after deposit, postage prepaid in the U.S. Mail; (b) sent by overnight delivery using a nationally recognized overnight courier in which case it shall be deemed delivered one business day after deposit with such courier; (c) sent by telefax, in which case notice shall be deemed delivered upon transmission of such notice; or (d) sent by personal delivery. The above addresses may be changed by written notice to the other party, provided, however, that no notice of a change of address shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

7.18 Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

7.19 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described herein the day of the act or event after which the designed period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The last day of any period of time described herein shall be deemed to end at 5 p.m. Central Standard Time.

7.20 Expiration of Offer. This Agreement shall automatically expire and be of no further force and effect unless two (2) original counterparts of this Agreement executed by Seller are returned to Purchaser on or before 5:00 p.m. on Friday, June 8, 2001.

7.21 Effective Date. For purposes hereof, the Effective Date of this Agreement shall be the date upon which the Title Company executes the Agreement signifying receipt of the Earnest Money.

7.22 Amendments and Exhibits: Exhibit A is legal description and Exhibit B is Surveyor's Certification.

(SIGNATURES CONTAINED ON FOLLOWING PAGE)



SIGNATURE PAGE
TO AGREEMENT OF PURCHASE AND SALE
BY AND BETWEEN

WILLIAMSON COUNTY
AND
THE TALISMAN GROUP, INC.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the
dates set forth below:

SELLER:

Williamson County
By: John C. Dwyer 6-1-01
Name: John C. Dwyer
Title: County Judge

Executed this 1st day of JUNE, 2001

PURCHASER:

The Talisman Group, Inc.

By: James T. Ross
Name: James T. Ross
Title: President & Secretary

Executed this 1st day of June, 2001

TITLE COMPANY'S AGREEMENT AND RECEIPT:

On this ____ day of _____, 2001, Commonwealth Title Co. of Austin., Inc., as the Title Company named in the foregoing Agreement, hereby acknowledges receipt of (i) two (2) counterparts of this Agreement executed by Seller and Purchaser and (ii) the sum of _____ Dollars (\$_____) in cash or immediately available federal funds as the Earnest Money required under Section 1.3 of this Agreement and hereby agrees to act as Title Company in strict accordance with the terms of this Agreement.

Commonwealth Title Co. of Austin, Inc.

By: _____
Name: _____
Its: _____



CHURCH OF CHRIST OF GEORGETOWN TO WILLIAMSON COUNTY.

TRACT 1: All of that certain lot or parcel of land lying and being situated in the City of Georgetown, in Williamson County, Texas, and being the North East one Fourth (1/4) of Block Sixty-five (65) of the said City and lying on the west side of Brushy Street (now Austin Avenue), and being the same property conveyed by Nancy M. Briggs to E. A. Strickland, S.K.P. Jackson and Joe Davis, trustees for the Central Christian Church, of Georgetown, Texas, by deed dated November 1st, 1894, and recorded in Vol. 71, page 409, of the deed records of Williamson County, Texas; and being that same land described in a deed dated August 19, 1920, and recorded in Volume 196, Page 447 of the Deed Records of Williamson County, Texas.

TRACT 2: Being out of and a part of Block 65 of Lost Addition to the City of Georgetown, Williamson County, Texas, and being described by metes and bounds as follows: BEGINNING at a point in the North line of Block 65 of Lost Addition 120 feet from the N. E. corner thereof, and being the N. W. corner of the Christian Church lot, for the N E corner and beginning corner hereof; THENCE West with the North line of said Block 65 of Lost Addition 40 feet for the N W corner hereof; THENCE South and parallel with the West line of said Church lot 80 feet for the S W corner hereof; THENCE East and parallel with the North line of said Block No. 65 and the North line hereof 40 feet to the S W corner of said Church lot and being the S. E. corner hereof; THENCE North with the West line of said Church lot 80 feet to the place of beginning, this being the same identical lot or parcel of land conveyed by Emil Forsvall, Executor of the estate of Oscar Forsvall, deceased, to H. K. Crissey et ux by deed dated October 20, 1942 and recorded in Vol. 314, page 134, deed records of Williamson County, Texas; and being the same identical lot conveyed by H. K. Crissey, et ux, to Albin Anderson by deed dated October 31, 1942, and recorded in Vol. 314, page 263 of the Deed Records of Williamson County, Texas; and being the same identical lot conveyed by Mrs. Albin Anderson, et al, to John H. Rosenblad, Jr. et ux by deed dated October 14th, 1950; and recorded in Vol. 365, page 126 of the Deed Records of Williamson County, Texas, and being that same land conveyed by deed dated November 29, 1950, and recorded in Volume 365, Page 445, of the Deed Records of Williamson County, Texas.

Both TRACT 1 and TRACT 2 being a part of that land conveyed to CHURCH OF CHRIST OF GEORGETOWN, TEXAS, by deed dated March 18, 1992, and recorded in Volume 2117, Page 647, Official Records of Williamson County, Texas.

In Cause No. 92-103-C277, in the 277th Judicial District Court of Williamson County, Texas, styled CHURCH OF CHRIST OF GEORGETOWN, TEXAS, vs. All Persons Claiming Any Title or Interest in Land Under Deeds Heretofore Given to the Church of Christ of Georgetown, Texas, as Grantee, and the Unknown Heirs of All Such Persons, Deceased. The restrictions set forth in the Deed dated August 19, 1920, and recorded in Volume 196, Page 447 of the Deed Records of Williamson County, Texas, and restrictions set forth in the Deed dated November 29, 1950, and recorded in Volume 365, Page 445 of the Deed Records of Williamson County, Texas, were declared VOID and UNENFORCEABLE.

TRACT 3: All that certain lot, tract or parcel of land lying and being situated in the City of Georgetown, Williamson County, Texas, and being a part of what is known as Block No. 64 of Lost Addition to said city and being the east part of a tract of land conveyed to Beatrice Johnson by Ethel M. Perry a widow, by deed dated November 13, 1942, recorded in Vol. 314, Pg. 357, Deed Records of Williamson County, Texas, and being more particularly described as follows:

BEGINNING at a point in the North line of Eleventh Street, at the Southeast corner of the said tract conveyed to Beatrice Johnson by Ethel M. Perry, said point also being the S. W. corner of the property now owned by Sue Eanes;

THENCE West along the North line of Eleventh Street, and the South line of said tract conveyed to Beatrice Johnson by Ethel M. Perry a distance of approximately 63 feet to an iron pin for the S. W. corner hereof;

THENCE N 75 feet to an iron pin for the N. W. corner hereof;



THENCE East and parallel with the N. line of said Eleventh Street a distance of approximately 63 feet to the West line of the said Sue Eanes property, for the N. E. corner hereof;

THENCE S along the west line of the said Sue Eanes property a distance of 75 feet to the PLACE OF BEGINNING.

TRACT 4: All that certain lot, tract or parcel of land lying and being situated within the City of Georgetown, Williamson County, Texas, and being out of and part of Block 64 of Lost Addition to said City, a part of the block of land sold to the heirs of William Knight by J. N. McFadin by deed recorded in Book 12, Page 129, of the Deed

Records of Williamson County, Texas, and a part of the lot conveyed to Henry Willis Sauer by Mrs. Susie Eanes, a single woman by deed dated April 6, 1949, recorded in Book 355, Page 139, Deed Records of Williamson County, Texas, and the lot herein conveyed being described by metes and bounds as follows:

BEGINNING 70 feet West from the Southeast corner of said Block 64 of Lost Addition to the City of Georgetown, on the North line of 11th Street and the South line of said Block, for the beginning point hereof a stake for corner;

THENCE West with the South line of said Block and the North line of 11th street a distance of 50 feet for corner hereof being also the Southwest corner of the lot sold by Mrs. Susie Eanes, a single woman, to Henry Willis Sauer as referred to in the above mentioned deed;

THENCE North with the West line of the lot sold to Henry Willis Sauer by Mrs. Susie Eanes, a single woman, and parallel with Austin Avenue a distance of 100 feet to the Northwest corner of said Sauer lot and the Northwest corner hereof;

THENCE East along the North line of said Sauer's lot and parallel with 11th Street a distance of 50 feet a stake for the Northeast corner hereof;

THENCE South and parallel with the West line of said Sauer's lot and parallel with Austin Avenue a distance of 100 feet to the PLACE OF BEGINNING.



To: The Talisman Group, Inc., and/or Assigns (Purchaser); [Lender]; [Title Company]; and [Underwriter]

I hereby certify that on the _____ day of _____, 2000:

- a. This survey was made on the ground as per the field notes shown on this survey and correctly shows: (i) the boundaries and areas of the subject property and the size, location and type of buildings and improvements thereon (if any) and the distance therefrom to the nearest facing exterior property lines of the subject property, (ii) the location of all rights-of-way, easements and any other matters of record (of which I have knowledge or have been advised, whether or not of record) affecting the subject property; (iii) all abutting dedicated public streets providing access to the subject property together with the width and name thereof; and (iv) all other significant items on the subject property;
- b. Except as shown on the survey, there are no: (i) encroachments on the subject property by improvements on adjacent property, (ii) encroachments on adjacent property, street or alleys by any improvements on the subject property; (iii) party walls, (iv) conflicts or protrusions;
- c. Adequate ingress to and egress from the subject property is provided by (name of streets), the same being paved, dedicated public right(s)-of-way maintained by (name of maintaining authority);
- d. All required building set back lines on the subject property are located as shown hereon;
- e. No part of the subject property lies within a flood plain or flood prone area or a flood way of any body of water; and
- f. This survey: (i) conforms to the current standards promulgated by the Texas Board of Professional Land Surveying; (ii) conforms to the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A, Condition ____ Survey; and (iii) is made in accordance with the "Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys," jointly established and adopted by ALTA and ACSM in 1992 and meets the accuracy requirements of an Urban Survey, with accuracy and precision tolerance requirements of the state in which the subject property is located, and contains Items 1, 2, 3, 4, 6, 7(a), 7(b), 8, 9, 10, 11 and 13 of Table A thereto.

(Signature of Surveyor)

Registered Public Surveyor

Registration No. _____

(Name, address, telephone number and job number of Surveyor).



05/29/2001

TALISMAN GROUP, INC.
P.O. BOX 27828
AUSTIN, TX 78755-7828
(512) 418-4477

COMPASS BANK
AUSTIN, TX 78731
35-1054/1130 373

1941

5/29/2001

PAY TO THE ORDER OF Georgetown Title Company, Inc.

Ten Thousand and 00/100*****

\$**10,000.00

Georgetown Title Company, Inc.

DOLLARS

FOR Williamson County Academy Contr

⑈001941⑈ ⑆113010547⑆

7747069⑆



RELEASE OF EARNEST MONEY

Re: GF 01048796

Gentlemen:

In reference to the Earnest Money Contract by and between the undersigned parties concerning 1102 South Austin Avenue, Georgetown, Texas, Georgetown Title Company, Inc., is hereby directed and authorized to "close out" the interest-bearing account at Compass Bank and transfer the funds to Commonwealth Land Title, 7800 N. Mopac, Suite 105, Austin, TX 78759, Attention: Laura Brookshire.

The undersigned parties are aware the bank may have a penalty for closing the account, thus resulting in less than \$10,000.00 being transferred to Commonwealth Land Title. Georgetown Title Company, Inc., is hereby released from liability in this event.

WILLIAMSON COUNTY

THE TALISMAN GROUP, INC.

By: John C. Doerfler 6-19-01
John C. Doerfler, County Judge

By: _____
James T. Ross, President & Secretary

SELLER

BUYER

Don Quick
Don Quick

Matt Marshall

AGENT

AGENT

AGENDA ITEM 46

Discuss and take any appropriate action on pending litigation: Williamson Co. v. Martin DiCarlo.

No action taken on this agenda item.

AGENDA ITEM 47

Discuss and take any appropriate action on pending litigation: Larry Zimmerhanzel case.

Moved: **Judge Doerfler**

Seconded: **Commissioner Boatright**

Motion: To authorize Charlie Crossfield to finalize a settlement on the Larry Zimmerhanzel case.

Vote: 4 - 0

AGENDA ITEM 48

Discuss and take any appropriate action on parkland acquisition.

No action was taken on this agenda item.

AGENDA ITEM 49

Discuss and take any appropriate action on personnel matters.

No action was taken on this agenda item.

AGENDA ITEM 50

Discuss and take any appropriate action on road bond program.

Mike Weaver updated the court on road bond issues.

County Engineer Joe England discussed solar powered school zone signs to be installed in the unincorporated areas of the county.

Commissioner Heiligenstein discussed the proposed acquisition of Lakeline area property at the rate of \$10.50 per square foot.

Moved: **Commissioner Heiligenstein**

Seconded: **Judge Doerfler**

Motion: To authorize Judge Doerfler to enter into a real estate contract with Lakeline Plaza Developers for all or a portion of the specified tract at the rate of \$10.50 per square foot.

Vote: 4 - 0

AGENDA ITEM 51

Comments from commissioners.

Commissioner Heiligenstein noted that the CUC meets on Wednesday, May 30, 2001, to discuss county participation in a federal liaison office. He also commented that he had received a compliment on Memorial Day regarding County Landfill personnel.

Commissioner Limmer thanked Mike Weaver for his work on the road bond project.

Judge Doerfler discussed budget submissions from county departments.

COMMISSIONERS' COURT ADJOURNED AT 11:43 A.M. ON TUESDAY, MAY 29, 2001.