

REAL ESTATE SALES CONTRACT

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

THIS REAL ESTATE SALES CONTRACT (this “Contract”) is made by and between the **WYLIE ECONOMIC DEVELOPMENT CORPORATION**, a Texas corporation, of 250 State Highway 78 South, Wylie, Texas 75098 (“Seller”) and **GLEN ECHO BREWING LLC**, a Texas limited liability company (“Purchaser”), upon the terms and conditions set forth herein.

ARTICLE I

1.01 Seller hereby sells and agrees to convey by Special Warranty Deed with Vendor’s Lien (the “Deed”), and Purchaser hereby purchases and agrees to pay for, that certain real estate, and any improvements located thereon, being Lot R-1, Block 2 of a Replat of Part of Lot 9 and Part of Lot 10, Block 2, of W.J. Keller’s First Addition, an Addition to the City of Wylie, Collin County, Texas, according to the map or plat thereof recorded in Volume F, Page 574, Plat Records of Collin County, Texas, and commonly known as 106 N. Birmingham Street, Wylie, Texas, 75098 (the “Land”).

Seller also sells and agrees to convey, and Purchaser hereby agrees to pay for, all and singular, the rights and appurtenances pertaining to the Property, including any right, title and interest of Seller in and to adjacent streets, roads, alleys or rights-of-way, and including all rights to all oil, gas and other minerals, together with any improvements, fixtures, and personal property situated on and attached to the Property, (all of such Land, rights, and appurtenances being hereinafter collectively referred to as the “Property”), for the consideration and upon the terms and conditions hereinafter set forth.

ARTICLE II

PURCHASE PRICE

Amount of Purchase Price

2.01 The purchase price (herein called the “Purchase Price”) for the Property shall be the sum of *Two Hundred Ninety Thousand and No/100 Dollars* (\$290,000.00).

Payment of Purchase Price

2.02 The Purchase Price shall be payable as follows:

(a) Cash at Closing in the amount of *One Hundred Ninety Thousand and No/100 Dollars* (\$190,000.00) (the “Cash Portion of the Purchase Price”); and

(b) Seller Financing: The balance of the Purchase Price will be in the form of a promissory note (the “Seller Note”) from Purchaser to Seller in the amount of *One Hundred Thousand and No/100 Dollars* (\$100,000.00), bearing interest at zero percent (0.00%) per annum, secured by a Vendor’s Lien and a Deed of Trust, with the Seller Note being due and payable in annual installments of interest and principal with the first payment being due and payable upon the earlier of (i) the issuance of a Certificate of Occupancy from the City of Wylie for the remodel of a 4,125 square foot building on the Property, or (ii) six (6) months after the Closing Date, with the remaining two (2) annual installments being due twelve (12) and twenty-four (24) months following the first installment, subject to the terms of the Performance Agreement; PROVIDED, HOWEVER, that all or a portion of the Seller Note may be released without payment thereon in the event Purchaser complies with the performance requirements set forth in a Performance Agreement described in Article II, Section 2.02(c) hereinafter set forth.

(c) Seller and Purchaser shall enter into a Performance Agreement (the “Performance Agreement”) whereby Seller agrees to make available to Purchaser a financial economic grant equal to the amounts owed under the Seller Note in the event Purchaser meets certain economic criteria in the form set forth in the Performance Agreement attached hereto, marked **Exhibit A**, and made a part hereof for all purposes.

(d) The Seller Note and the Deed of Trust lien securing it shall be second and inferior to the promissory note and lien to be executed by Purchaser and payable to a third-party lender for the construction of the proposed improvements on the Property. Seller agrees to execute a Subordination Agreement with Lender in a form approved by all parties.

ARTICLE III

PURCHASER’S OBLIGATIONS

Conditions to Purchaser’s Obligations

3.01 The obligation of Purchaser hereunder to consummate the transaction contemplated hereby is subject to the satisfaction of each of the following conditions (any of which may be waived in whole or in part by Purchaser at or prior to the closing).

Preliminary Title Commitment

3.02 Within twenty (20) days after the execution date of this Contract, Seller, at Purchaser’s sole cost and expense, shall have caused Lawyers Title Company (Baron Cook), 250 Highway 78 South, Wylie, Texas 75098 (the “Title Company”) to issue a preliminary title commitment (the “Title Commitment”), accompanied by true, correct and legible copies of all recorded documents relating to the Property referred to in the Title Commitment (the “Title Documents”). Purchaser shall give Seller written notice on or before twenty (20) days following

receipt of the later of the Title Commitment, Title Documents, and Survey of any objections Purchaser may have to such Title Commitment, Title Documents, and Survey. Any exceptions listed in Schedule C of the Title Commitment shall be deemed objectionable to Purchaser. Purchaser hereby agrees that zoning ordinances (unless Purchaser's intended use of the Property violates or is improper under the current applicable zoning ordinances), the lien for current taxes, and any items not objected to timely by Purchaser shall hereinafter be deemed to be permitted exceptions and Purchaser shall not be entitled to object to the status of title or avoid the closing on account of such permitted exceptions. In the event Seller is unable or unwilling to cure Purchaser's objections, then within ten (10) days after receipt of Purchaser's written notice, Seller shall notify Purchaser of the same and this Contract, any Options granted hereunder and the Performance Agreement shall thereupon be null and void at Purchaser's option for all purposes, and the Escrow Deposit shall be forthwith returned by the Title Company to Purchaser. Purchaser's failure to give Seller written notice of such objections as provided herein shall constitute Purchaser's acceptance thereof.

Survey

3.03 Within twenty (20) days after the execution of this Contract, Seller shall, at Seller's sole cost and expense, cause to be delivered to Purchaser and the Title Company a current plat of survey ("Survey") of the Property, prepared by a duly licensed Texas land surveyor. The Survey shall be in a form acceptable to the Title Company in order to allow the Title Company to delete the survey exception at Purchaser's expense (except as to "shortages in area") from the Owner's Title Policy to be issued by the Title Company. The Survey shall be staked on the ground, and the plat shall show the location of all improvements, highways, streets, roads, railroads, rivers, creeks, or other water courses, fences, flood plain as defined by the

Federal Insurance Administration, easements, and rights-of-way on or adjacent to the Property and shall set forth the number of total square feet comprising the Property.

Feasibility Period

3.04 Purchaser shall have ninety (90) days following the effective date of this Contract, in which to inspect the Property and determine if the same is suitable for Purchaser's intended use (the "Feasibility Period"). In the event Purchaser notifies Seller in writing on or before 5:00 p.m. on the last day of the Feasibility Period that Purchaser disapproves or is dissatisfied in any way with the Property, such determination to be made in Purchaser's sole and absolute discretion, then this Contract shall terminate. In the event Purchaser fails to so notify Seller in writing prior to the expiration of the Feasibility Period of Purchaser's election to terminate this Contract, this Contract shall continue in full force and effect.

3.05 Seller hereby grants to Purchaser and Purchaser's representatives, contractors and agents the right to enter upon the Property and conduct such tests as Purchaser deems necessary. Purchaser shall indemnify and hold harmless Seller from all claims, actions or causes of action which might occur as a result of the negligence of Purchaser, Purchaser's representatives, contractors or agents while entering upon or testing of the Property and provided further that Purchaser shall be responsible for all damages occasioned to the Property arising out of the negligence of Purchaser during its occupation. Notwithstanding anything herein to the contrary, Purchaser shall not be liable in any way or form due to any damages arising out of the sole negligence or intentional acts of Seller.

Due Diligence

3.06 Within fifteen (15) days from the effective date of this Contract, Seller shall deliver to Purchaser copies of all engineering investigations, soils reports, feasibility reports,

tests, environmental studies, license agreements, management agreements, and other information related to the Property in Seller's possession. Notwithstanding Seller's delivery of the above described studies, tests and other due diligence material, if any, Purchaser acknowledges that any information of any type which Purchaser has received or may receive from Seller, or its agents, is furnished to Purchaser as a courtesy only and on the express condition that Purchaser shall make an independent verification of the accuracy of such information, and that all such information is being furnished without any representation or warranty by Seller as to the truth, accuracy, or completeness of such information; provided, however, that Seller confirms that Seller has no current actual knowledge of any material inaccuracies or errors in any such due diligence materials. Further, as a condition to Seller's delivery of any due diligence materials to Purchaser, Purchaser expressly acknowledges the foregoing in its acceptance of such due diligence items from Seller, and agrees to waive any and all claims against Seller for any cause of action arising from Purchaser's reliance on such Seller furnished due diligence materials.

ARTICLE IV

CLOSING

4.01 The closing shall be at the Title Company, on or before thirty (30) days following the expiration of the Feasibility Period (which date is herein referred to as the "Closing Date").

4.02 At the closing, Seller shall:

(a) Deliver to Purchaser a duly executed and acknowledged Special Warranty Deed conveying good and indefeasible title in fee simple to all of the Property, free and clear of any and all liens, encumbrances, conditions, easements, assessments, and restrictions, except for the following:

(1) General real estate taxes for the year of closing and subsequent years not yet due and payable;

(2) Any exceptions approved by Purchaser pursuant to this Contract;
and

(3) Any exceptions approved by Purchaser in writing.

(b) Deliver to Purchaser, at Purchaser's sole cost and expense, a Texas Owner's Title Policy issued by the Title Company, in Purchaser's favor in the full amount of the Purchase Price, insuring Purchaser's fee simple title to the Property, together with the value of any proposed Improvements (additional coverage at Purchaser's expense), subject only to those title exceptions listed in this Contract, such other exceptions as may be approved in writing by Purchaser, and the standard printed exceptions contained in the usual form of Texas Owner's Title Policy containing a survey exception deletion, at the expense of the Purchaser, except as to shortages in area.

(c) Deliver to Purchaser the executed Performance Agreement.

(d) Deliver to Purchaser possession of the Property.

4.03 At the closing, Purchaser shall:

(a) Deliver to Seller the Cash Portion of the Purchase Price.

(b) Deliver to Seller the executed Performance Agreement.

(c) Deliver to Seller the execute Seller Note.

(d) Deliver to Seller the executed Deed of Trust.

4.04 All state, county, and municipal taxes for the then current year relating to the Property, if any, shall be assumed by the Purchaser. Any rollback taxes that may be assessed against the Property shall be the responsibility of the Purchaser.

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.

4.05 Each party shall pay any attorney's fees incurred by such party. All other costs and expenses of closing the sale and purchase of the Property shall be borne and paid by the Purchaser.

ARTICLE V

REAL ESTATE COMMISSIONS

5.01 Each party hereto represents to the other that it has not authorized any broker or finder to act on its behalf in connection with the sale and purchase transaction contemplated hereby and that it has not dealt with any broker or finder purporting to act for any other party. Each party hereto indemnifies and agrees to defend and hold harmless the other party from and against any and all liabilities, costs, damages and expenses of any kind or character arising from any claims for brokerage or finder's fees, commissions or other similar fees in connection with the transactions covered by this Contract insofar as such claims shall be based upon alleged

arrangements or agreements made by such party or on its behalf, which indemnity shall expressly survive any termination or Closing of this Contract.

ARTICLE VI

ESCROW DEPOSIT

6.01 Upon the full execution of this Contract and for the purpose of securing the performance of Purchaser under the terms and provisions of this Contract, Purchaser shall deliver to the Title Company, a check in the amount of \$5,000.00 as the Escrow Deposit which shall apply toward the Purchase Price at closing.

ARTICLE VII

CASUALTY

7.01 All risks of loss to the Property shall remain upon Seller prior to the Closing.

ARTICLE VIII

REPRESENTATIONS

8.01 As a material inducement to the Seller and Purchaser to execute and perform its obligations under this Contract, the Seller and Purchaser hereby represent and warrant to each other as of the date of the execution of this Contract, and through the date of the closing as follows:

- (a) Seller is the owner in fee of the Property;
- (b) To the best of Seller's knowledge, there are no actions, suits, or proceedings (including condemnation) pending or threatened against the Property, at law or in equity or before any federal, state, municipal, or other government agency or instrumentality, domestic or foreign, nor is the Seller aware of any facts which to its knowledge might result in any such action, suit, or proceeding.

(c) The Property is not in a water district.

(d) **“AS IS”. EXCEPT AS EXPRESSLY PROVIDED HEREIN, IT IS UNDERSTOOD AND AGREED THAT SELLER IS NOT MAKING ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OR REPRESENTATIONS AS TO MATTERS OF TITLE (OTHER THAN SELLER’S WARRANTY OF TITLE SET FORTH IN THE DEED TO BE DELIVERED AT CLOSING), ZONING, TAX CONSEQUENCES, PHYSICAL OR ENVIRONMENTAL CONDITION, ABSENCE OF LATENT DEFECTS, OPERATING HISTORY OR PROJECTIONS, VALUATION, GOVERNMENTAL APPROVALS, GOVERNMENTAL REGULATIONS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY. EXCEPT AS EXPRESSLY PROVIDED HEREIN, PURCHASER AGREES THAT WITH RESPECT TO THE PROPERTY, PURCHASER HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY REPRESENTATION OR WARRANTY OF SELLER OR SELLER’S REPRESENTATIVES. PURCHASER WILL CONDUCT SUCH INSPECTIONS AND INVESTIGATIONS OF THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF, AND RELY UPON SAME, AND, UPON CLOSING, SHALL ASSUME THE RISK THAT ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, LATENT DEFECTS AND ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS, MAY NOT HAVE BEEN**

REVEALED BY PURCHASER'S INSPECTIONS AND INVESTIGATIONS. EXCEPT AS EXPRESSLY PROVIDED HEREIN, PURCHASER AGREES TO TAKE WHATEVER ACTION AND PERFORM WHATEVER INVESTIGATIONS AND STUDIES PURCHASER DEEMS NECESSARY TO SATISFY ITSELF AS TO THE CONDITION OF THE PROPERTY AND THE EXISTENCE OR NONEXISTENCE OF, OR CURATIVE ACTION TO BE TAKEN WITH RESPECT TO, ANY HAZARDOUS AND/OR TOXIC SUBSTANCES ON OR DISCHARGED FROM THE PROPERTY. PURCHASER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLER SHALL SELL AND CONVEY TO PURCHASER AND PURCHASER SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS", WITH ALL FAULTS AND THERE ARE NO ORAL OR WRITTEN AGREEMENTS, WARRANTIES OR REPRESENTATIONS, COLLATERAL TO OR AFFECTING THE PROPERTY BY SELLER OR ANY THIRD PARTY. FURTHER, PURCHASER HEREBY ACKNOWLEDGES TO SELLER THAT PURCHASER AND SELLER ARE NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION. THE TERMS AND CONDITIONS OF THIS PARAGRAPH SHALL EXPRESSLY SURVIVE THE CLOSING AND SHALL NOT BE MERGED THEREIN.

ARTICLE IX

OPTIONS TO PURCHASE

9.01 Purchaser hereby grants to Seller (from and after the Closing Date) the exclusive right and option to purchase the Property (the "Option") on the following terms and subject to the following precedent:

(a) The Seller will have the Option to re-purchase the Property in the event the Purchaser fails to commence construction of the Improvements on or before _____ days following Closing;

(b) The purchase price of the Property shall be equal to the Purchase Price which shall be paid either in the form of cash and/or as a credit against Seller's Note, less any sums that must be paid to any affiliate or third parties to clear any liens or encumbrances to the Property.

(c) Seller must close upon exercise of the option within thirty (30) days of the exercise of the option.

(d) Seller's right to exercise the Option is conditioned upon Purchaser failing to commence construction of the Improvements as defined in and by the date described in the Performance Agreement.

(f) The Option shall be subordinate to any third party financing for the construction of improvements upon the Property.

(g) Seller's failure to give written notice to Purchaser of the exercise of this Option on or before fifteen (15) months from the date of Closing shall automatically and immediately terminate all of Seller's rights under this Section 9.01.

9.02 The parties agree to execute a memorandum of option that may be recorded by the parties in the Land Records of Collin County, Texas.

9.03 The provisions of Article IX shall survive closing and not be merged therein.

ARTICLE X

BREACH BY SELLER

10.01 In the event Seller shall fail to fully and timely perform any of Seller's obligations hereunder or shall fail to consummate the sale of the Property for any reason, except Purchaser's default, Purchaser may pursue specific performance, as its sole and exclusive remedy.

ARTICLE XI

BREACH BY PURCHASER

11.01 In the event Purchaser shall fail to fully and timely perform any of Purchaser's obligations hereunder or shall fail to consummate the purchase of the Property for any reason, except Seller's default, and Seller not being in default hereunder, may pursue specific performance, as its sole and exclusive remedy.

ARTICLE XII

MISCELLANEOUS

Survival of Covenants

12.01 Any of the representations, warranties, covenants and agreements of the parties, as well as any rights and benefits of the parties, shall survive the closing and shall not be merged therein.

Notice

12.02 Any notice required or permitted to be delivered hereunder shall be deemed received when sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to the Seller or the Purchaser, as the case may be, at the address set forth herein above.

Texas Law to Apply

12.03 This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Collin County, Texas.

Parties Bound

12.04 This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns. This Contract is not assignable by the Purchaser without the written consent of the Seller.

Nondisclosure

12.05 Neither party shall disclose to any person or entity, except for the parties' attorneys, accountants or other professionals, the terms of this Agreement or the identity of the parties and shall not issue any press or other informational releases without the express written consent of each party.

Legal Construction

12.06 In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Integration

12.07 This Contract constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written or oral agreements between the parties respecting

the within subject matter. This Contract cannot be modified or changed except by the written consent of all of the parties.

Time of Essence

12.08 Time is of the essence of this Contract.

Attorney's Fees

12.09 Any party to this Contract which is the prevailing party in any legal proceeding against any other party to this Contract brought under or with relation to this Contract or transaction shall be additionally entitled to recover court costs and reasonable attorneys' fees from the non-prevailing party.

Gender and Number

12.10 Words of any gender used in this Contract shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

Memorandum of Contract

12.11 Upon the request of either party, both parties shall promptly execute a memorandum of this Contract suitable for filing of record.

Compliance

12.12 In accordance with the requirements of Section 28 of the Texas Real Estate License Act, Purchaser is hereby advised that it should be furnished with or obtain a policy of title insurance.

Effective Date of Contract

12.13 The term "effective date of this Contract" as used herein shall mean the later of the two (2) dates on which this Contract is fully signed by Seller or Purchaser, as indicated by

their signatures below, which later date shall be the date of final execution and agreement by the parties.

[Signature Page Follows]

Executed on the dates set forth at the signatures of the parties hereto.

Seller:

Wylie Economic Development Corporation, a
Texas corporation

By: _____
Demond Dawkins, President

Date of Execution: _____

Purchaser:

Glen Echo Brewing LLC, a Texas Limited Liability
Company

By: _____
_____, _____

Date of Execution: _____

TITLE COMPANY ACCEPTANCE

The Title Company acknowledges receipt of the Earnest Money on _____, 202____, and accepts the Earnest Money subject to the terms and conditions set forth in this Contract.

Lawyers Title Company

By: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Fax: _____

Exhibit A
Form of Performance Agreement