



COMMERCIAL REAL ESTATE

September 13, 2019

Sent Via email: Mike.Campbell@co.clay.tx.us

Mr. Mike.Campbell
Clay County Judge
Courthouse Annex
214 N. Main
Henrietta, TX 76265
Mobile - 940-538-6423

**RE: Letter of Intent to Sell
210 N. Bridge Street, Henrietta, Texas**

Dear Mike:

This letter summarizes our recent discussions to sell the Property; it is not intended to be contractual in nature, but only expresses the basis upon which we wish to negotiate to enter into a sale agreement with respect to the Property (the "**Sale Agreement**"). The undersigned acknowledge that this letter is intended to outline the initial terms for consideration only and is not intended to obligate any party contractually. No such obligation arises from this letter or from any resulting Sale Agreement drafts unless and until a mutually satisfactory Sale Agreement is fully executed by, and delivered to, all parties.

Subject to a mutually agreed upon Sale Agreement, Seller is willing to proceed under the following terms and conditions:

1. **Seller:** Wells Fargo Bank, N.A., a national banking association
2. **Buyer:** Clay County, Texas
3. **Property:** Approximately 0.606 acres of land located at 210 N. Bridge Street, in the City of Henrietta, Texas, as more particularly described and depicted in **Exhibits A** and **B** attached hereto.
4. **Sale Price:** \$220,000.00 (Two-hundred, twenty-thousand dollars and 00/100).
5. **Earnest Money:** \$11,000 (Eleven-thousand dollars and 00/100) to be deposited in escrow by Buyer in a non-interest bearing

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account upon full execution of the Sale Agreement. The Earnest Money will be returned to Buyer if Buyer terminates the Sale Agreement prior to expiration of the Title Period or the Inspection Period. If Buyer fails to close, Seller may retain the Earnest Money as liquidated damages as Seller's exclusive remedy. If Seller fails to close, the Earnest Money will be returned to Buyer and Seller also shall pay Buyer an amount equal to the Earnest Money as liquidated damages as Buyer's exclusive remedy. Otherwise, the Earnest Money will be applied to the Sale Price at Closing. The parties hereby waive the remedy of specific performance.

6. Title Period:

Buyer may during the 30-day period after full execution of the Sale Agreement examine Seller's title to the Property and notify Seller of any defects in or encumbrances upon Seller's title to the Property (the "**Objections**"). If Buyer fails to notify Seller of any Objections prior to 5:00 p.m. on the last day of the Title Period, then Buyer will be deemed to have waived any Objections and to have accepted Seller's title to the Property.

7. Inspection Period:

During the 60-day period after full execution of the Sale Agreement (the "**Inspection Period**"), Buyer may conduct and prepare any and all tests, investigations, reports, studies, and inspections of the Property that Buyer deems necessary in its sole discretion for the purchase of the Property including environmental, structural, geotechnical, soil, topographical, geological, subsurface, engineering, site planning, feasibility studies, title review, surveys and zoning analysis (collectively, the "**Tests**"). Buyer shall not conduct any invasive testing of the Property (e.g., a Phase II environmental assessment, geotechnical borings, etc.) without the prior written consent of Seller (which consent may be withheld in Seller's sole discretion without considering the interests of Buyer). Seller shall cooperate in good faith with Buyer during the Inspection Period and shall provide Buyer access to the Property to perform the Tests. If Buyer determines for any reason that it does not desire to purchase the Property, Buyer may terminate the Purchase Agreement by sending written notice thereof to

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Seller prior to expiration of the Inspection Period, in which event the Earnest Money will be refunded to Buyer.

8. **Closing:**

Closing will occur no later than thirty (30) days after expiration of the Inspection Period.

9. **Conveyance:**

The Property will be conveyed in "AS IS" condition without representation of any kind, including any environmental representations. At Closing, Seller shall convey fee simple title to the Property to Buyer by special warranty deed subject to (i) easements, encumbrances, restrictions, and any other matters of record and (ii) real estate taxes for the applicable calendar or fiscal year that are not yet due and payable (real estate taxes shall be prorated between the parties at Closing). Seller shall deliver exclusive possession of the Property to Buyer at Closing. The Property will be conveyed subject to a use restriction for a period of two (2) years, prohibiting the use of the Property as a financial institution and/or Financial Services Business, as further described in Exhibit C, attached hereto.

10. **ATM Lease:**

Buyer and Seller shall enter into an ATM lease (the "**Lease**") for Seller's existing drive up ATM location (with related signage and equipment) at the Property on or before the Closing Date. Seller shall install, if not already installed, separate meter(s) for any utility services provided to the ATM (and pay for any separately metered utility services). Seller will provide Buyer with drawings/survey for Buyer's approval for the ATM project to separately meter the utilities within five (5) days of execution of the LOI. The term of the Lease will begin upon the Closing Date and expire on the last day of the calendar month 60 months (5 years) after the Closing Date. Seller may renew the Lease for four (4) additional five (5) year terms upon six (6) months' prior written notice thereof to Buyer. Initial annual rent will be \$9,600.00 (payable monthly in the amount of \$800.00), which rental amount will increase by ten percent (10%) at the beginning of each renewal term. Seller will have the right, at its sole option, to terminate the Lease at any time after the first full year of the initial term with ninety (90) days prior written notice to Buyer. The form of Lease will

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be Seller's standard ATM lease, provided to Buyer within 30 days of LOI execution date and which form is subject to negotiation by the parties. Execution of the Lease is a condition precedent to Closing and to Seller's obligation to sell the Property to Buyer.

11. **Escrow Agent, Title Co.:** Meredith Williams, Escrow Officer, Republic Title of Texas, Inc., 2626 Howell Street, 10th Floor. Dallas, TX, 75204
12. **Closing Costs:** Seller shall pay all grantor transfer taxes applicable to the transaction contemplated hereby, the cost to prepare the deed from Seller, and the cost of recording all documents necessary to correct or remove defects in or encumbrances upon Seller's title to the Property (if applicable). Buyer shall pay the cost of any grantee transfer taxes, title examination fees, the cost of any title insurance obtained by Buyer, the cost of a current survey of the Property, the cost of preparing and/or recording all documents to be recorded other than those referred to in the preceding sentence, and any other costs related to the Closing. Each party shall pay its own attorneys' fees.
13. **Real Estate Broker:** Lem Miller of Sandia Commercial Real Estate, LLC, is the sole real estate broker representing Seller in this transaction. Seller shall be responsible for the payment of all fees and commissions (subject to a separate agreement) due to such broker in connection with the sale of the Property.
14. **Contingencies:** The execution of a Sale Agreement by Seller is contingent upon its senior management and real estate committee approvals. This section also includes any other contingencies identified above.

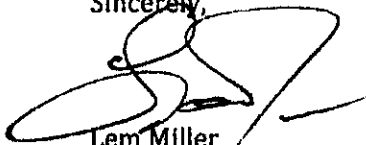
If the above terms and conditions are acceptable, please have the appropriate authorized individual sign below to acknowledge Buyer's agreement to this letter and return one (1) fully executed copy to me. Our willingness to proceed with the purchase of the Property as outlined herein is conditioned upon your execution and returning this letter to me by 5:00 p.m. local time on the tenth business day after the date of this letter. Please feel free to contact me should you have any questions or comments.

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Sincerely,



Lem Miller
Sandia Commercial Real Estate, LLC

LETTER OF INTENT TO SELL, SEPTEMBER 13, 2019, HENRIETTA, TEXAS

ACCEPTED AND AGREED:

SELLER: Wells Fargo Bank N.A.

BUYER: Clay County, Texas

By: 

By: 

Print Name: Fawn G. Nelson

Print Name: MARK SAMMONS

Title: Vice President

Title: COUNTY JUDGE

Date: 09/16/2019

Date: 9/16/19

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EXHIBIT A

PROPERTY DESCRIPTION

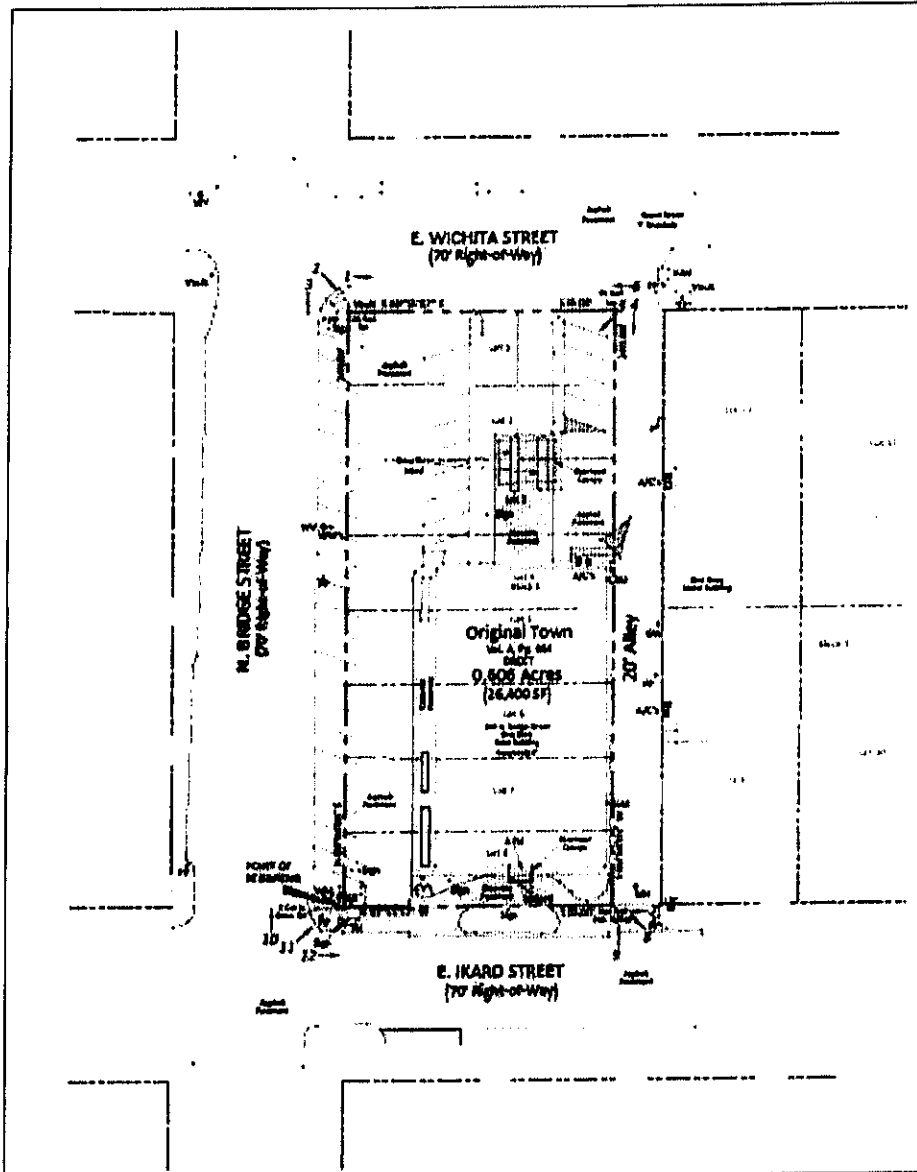
Lots 1-8 of Block 5 in Henrietta, Clay County, Texas, located along the east line of N Bridge Street between the northeast corner of E Ikard Street and the southeast corner of E Wichita Street with a street/ mailing address of 210 N. Bridge Street, Henrietta, TX.

The Premises contains approximately 26,400 square feet (SF) of land (per survey dated July 25, 2019) with a building improvement consisting of approximately 8,800 (+/-) SF.

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EXHIBIT B

SITE PLAN



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