NO. 753 1/3 10%

architectural lighting associates, inc.

lighting • sales • service

MARK HEALY Specification Sales

101 turtle creek boulevard dallas, texas 75207 tel 214.658.9000 fax 214.658.9002 cell 214,232,9259 email mhealy@ala-inc.net www.ala-Inc.net

architectural lighting associates, inc.

lighting • sales • service

MARK HEALY Specification Sales 101 turlle creek boulevard dallas, texas 75207 tel 214.658.9000 fox 214.658.9002 cell 214.232.9259 email mhealy@ala-inc.net www.ala-inc.net

Arapaho Road Extension Phase III

Right of Way acquisition status report

		01.4		
Parcel Name and Number	Status			
	Negotiating	Going to court	have contract	sold/settled
Metro Brick Parcel #1				X
Joe's Auto Body Parcel #2		X		
Union Pacific Railway Company Parcel #3				X
The City of Dallas Parcel #4				Х
Heritage Inn Parcel #5				Х
Motel 6 Parcel #6	***	Х	-	
Charter Furniture Parcel #7				X
Gary Crouch/MBNA Parcel #8#5506uteS	Stems	Х		
Intervest Parcel #9				X
Harbour Group Parcel #10-4/25 Centure	en Way	- X		
Dale Bullough/Metrocrest 1 Parcel #11		X		
Public Storage of Dallas, Ltd. Parcel #12				X
Public Storage of Dallas, Ltd. Parcel #13				Х
	****	Project is ached	lod to go to sor	domnation
		Project is scheduled to go to condemnation,		
·		but still possible to reach an agreement.		



PUBLIC WORKS DEPARTMENT

(972) 450-2871

Post Office Box 9010 Addison, Texas 75001-9010

16801 Westgrove

July 21, 2004

Mr. Trip Brizell
Capital Programming Senior Manager
Dallas Area Rapid Transit
P.O. Box 660163
Dallas, TX 75266-0163

Re: Arapaho Road Phase III Project

Dear Mr. Brizell:

This project has now been bid and Council has awarded a \$16,731,678 construction contract to Archer-Western. This is to request payment of \$2,363,878.44 from our DART LAP/CMS account.

We would like the money to be wire transferred. Please contact Carolyn Burgett at 972-450-7064 for wiring instructions.

Thank you for your attention to this matter.

Very truly yours,

Town of Addison

James C. Pierce, Jr., P.E.

Assistant Public Works Director

cc: Chris Terry, Assistant City Manager

Michael E. Murphy, P.E., Director of Public Works

Carolyn Burgett, Accounting Manager



PUBLIC WORKS DEPARTMENT

(972) 450-2871

Post Office Box 9010 Addison, Texas 75001-9010

16801 Westgrove

June 28, 2004

Mr. Donald L Holzwarth, P.E. Dallas County Director of Public Works 411 Elm Street, 4th Floor Dallas, TX 75202

Re: Reallocation of Funds for Arapaho Road

Dallas County Major Capital Improvement Program

Dear Mr. Holzwarth:

This is to thank you for your recommendation to Jim Jackson to reallocate the \$1,432,812 for our Arapaho Road project that was originally scheduled for receipt in FY 2007, and moving receipt forward to FY 2005. This helps our budget tremendously as we have now received bids and awarded a \$16.5 million contract for construction of the project. This project includes a signature bridge over Midway Road and will complete our extension of Arapaho Road from Dallas North Tollway to Marsh Lane, and will provide some relief for the traffic on Belt Line Road.

We always appreciate the cooperation and helpfulness we have received from you and your staff throughout this process.

Please come see us when you can.

Very truly yours,

Michael E. Murphy, P.E.

Director of Public Works

Cc: Chris Terry, Assistant City Manager

Jim Pierce, P.E., Assistant Public Works Director

Arapaho Bridge 6-17-05 10:30am

Name
1. Nancy Cline
2. Steve Chatchian
MG Movassaghi
DANIEL J. FILER
Anchew Schnamann
MICHAEL PETTIT

LUNG NICOWANDER

CHIFF HAVE
Guy Van Baulen
Very Holder

Chip Langold

Ber H. HERES

Addison
TOWN OF ADDISON

Engineer
Engineer (HOTE)

Archer Western

TOA

URS

HNTB

HNTB

HNTB

Addison

Phone No.

(972) 450-2871

972-450-2886

817 680 4272

972-661-5626

817-401-4611

972-861-0062

817-8274

972-661-5626

(972) 361-0062

11

(972) 361-0062

11

(972) 361-0062



Grantham & Associates, Inc.

MEMO

1919 S. Shiloh Rd., Suite 310, LB 8, Garland, TX 75042

Date:

December 10, 2003

G&A No. 320

To:

Utility Companies

From:

Bruce Grantham / Katura Curry

Re:

Utility Conflicts and Relocations - Arapaho Road Phase 3

Notes:

- The franchise utility conflicts and relocations listed in this memo are shown on the attached Sheets 1 and 2. The paving stations and other location references are also shown on these sheets.
- It is understood that franchise utility services to the buildings shown to be demolished prior to the construction of Arapaho Road Phase 3 will need to be disconnected. However, it has not been determined what utilities serve these buildings at this time.
- All conflicts have been placed within one of two categories:
 - Category 1: Must be relocated to avoid proposed Arapaho Phase 3 improvements.
 - Category 2: May need to be relocated to avoid proposed Arapaho Phase 3 improvements. In most cases, we anticipate that the franchise utilities would want to relocate the utilities in this category to provide working room for future maintenance.
- Oncor Conflicts: V

Sheet 1 of 2

- Power Pole at proposed 8' x 6' box culvert just east of Surveyor (Category 1)
- Crossing at station 37 + 80 (Category 1)
- Crossing at station 45 + 40 (Category 1)
- Crossing at station 47 + 40 (Category 1)
- Crossing at station 50 + 40 (Category 1)
- Crossing at station 51 + 60 (Category 1)
- Crossing at station 55 + 20 (Category 1)
- Crossing at Midway Road (west side) (Category 1)
- Crossing at Midway Road (east side) (Category 1)
 Power Pole at stations 61 + 70 and 62 + 40 (Category 1)

Sheet 2 of 2

► Power pole at stations 63+10, 63+60, and 64+80 (Category 1)

OK BY FOR

Crossing at station 86 + 10 (Category 1)

TxU Gas Conflicts: OL By Fish

- Crossing at Surveyor Boulevard (west side) at proposed box culvert (Category 2)
- Crossing at Midway Road (west side) (Category 2)
- SBC Conflicts: V Sheet 1 of 2
 - Crossing at Surveyor Boulevard (west side) at proposed box culvert (Category 2)
 - Crossing at Surveyor Boulevard (east side) at proposed box culvert (Category 2)
 - ► Parallel conflict station 51 + 00 to west side of Midway Road (Category 1)
 - Crossing at Midway Road (west side) (Category 2)
 - Crossing at Midway Road (east side) (Category 2)
- MCI
 - Sheet 2 of 2
 - ► Parallel conflict station 76 + 60 to 85 + 80 (Category 2)
- Qwest
 Sheet 2 of 2
 - ► Parallel conflict station 76 + 60 to 85 + 80 (Category 2)
- PLACE CABLE INSIDE OF STORM DRAWN WITH

 M. H. ACCESS.

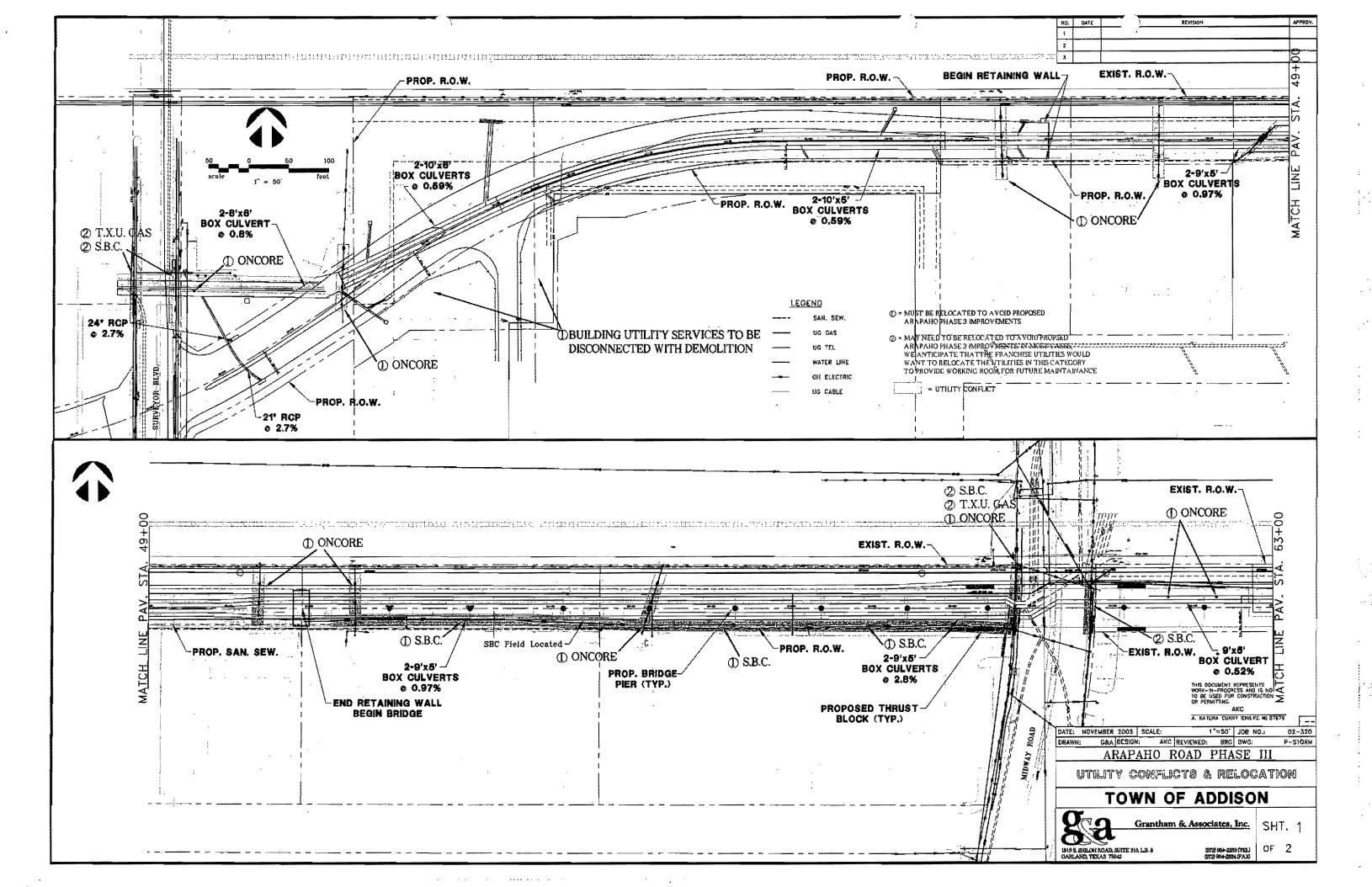
+ EVOID DOUBLE CHOCKINGS IF AT AM POSSIBLE.

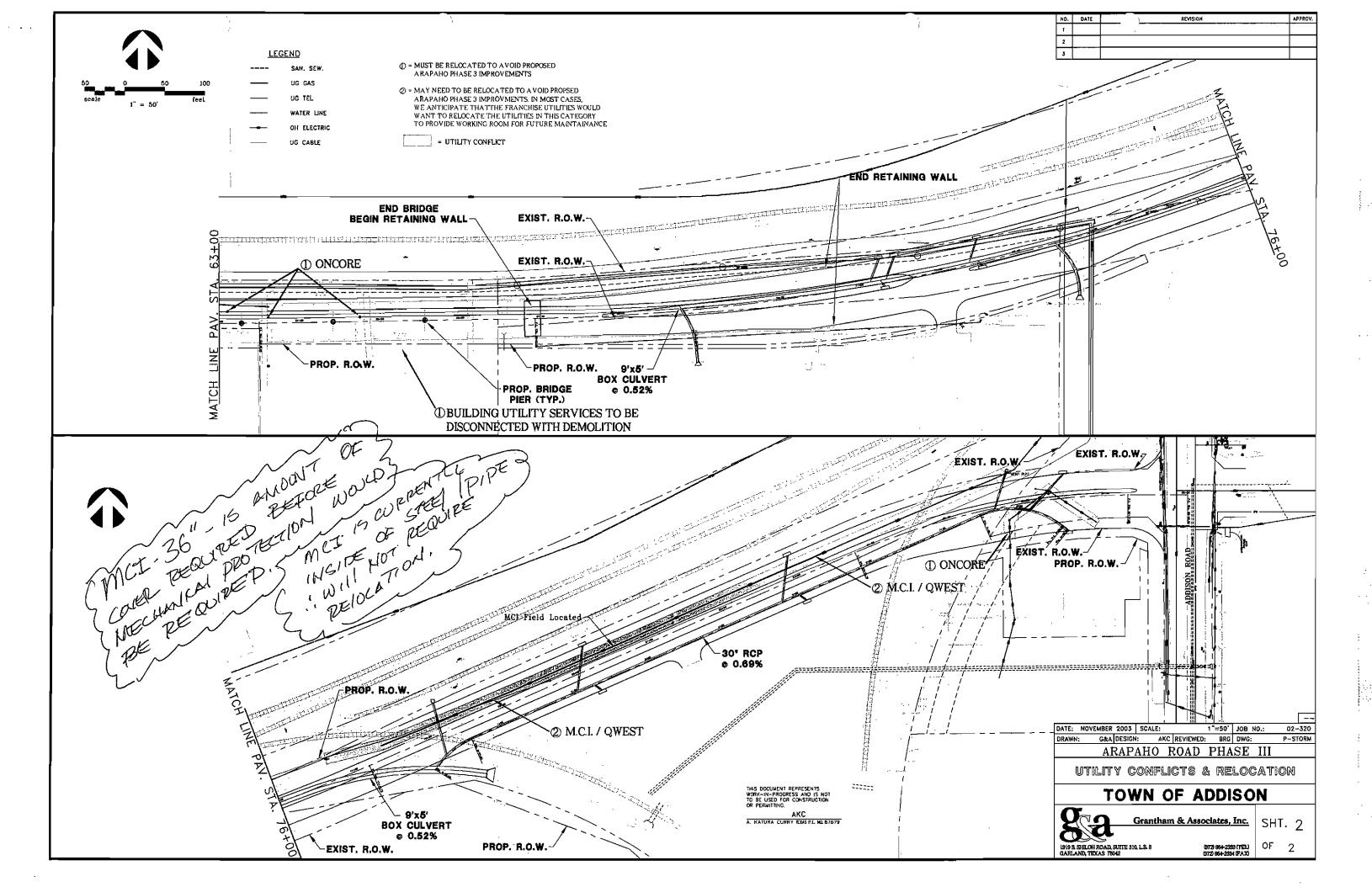
TO MOVE LINE ONER AT TIME OF CONSTRUCTION—
COOPD. WY CHINER & STORM CONTRACTOR.

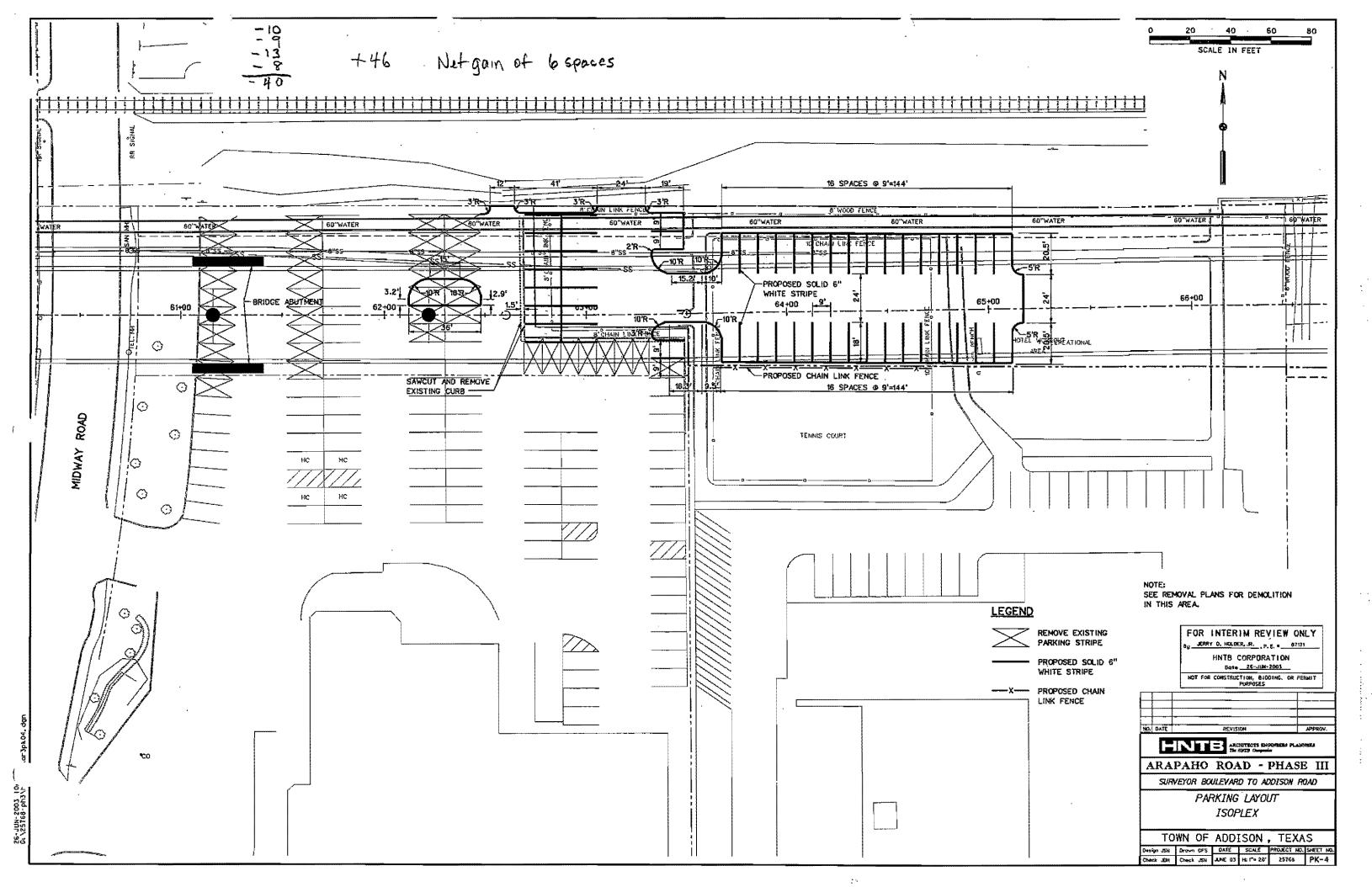
WIN RELOCATE MINOR DUCT BANK OF MIDWAY

WILL LEWE MAJOR DUCT BANK OF MIDWAY

E-\WPDOCS\PROJECTS\a02-320\Util Coord\Utility Conflicts.mem







25th Anniversary 1978-2003

COWLES & THOMPSON

A Professional Corporation





ANGELA K. WASHINGTON 214.572.2144 AWASHINGTON@COWLESTHOMPSON.COM

April 11, 2003

VIA HAND DELIVERY

Mr. Barry R. Knight Winstead Sechrest & Minick, P.C. 5400 Renaissance Tower 1201 Elm Street Dallas, Texas 75270

RE: Engineering Plans for Arapaho Bridge

Dear Barry:

Pursuant to your request, accompanied by this letter, are the above-referenced plans in connection with the condemnation case for Parcel 8, Arapaho Road Extension Project.

Sincerely,

Angela K. Washington

AKW/yjr Enclosure

c: Mr. Mike Murphy, w/Addison

Just 11. 8 8 iff

Mr. Steve Chutchian, w/Addison

Mr. Lewis Isaacks

Mr. Ken C. Dippel, w/firm

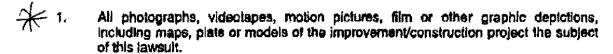
JAN-09-2303 13:47

JDIE VASSALLO LAW OFFICE

214 559 7209 P.05/06

EXHIBIT 1

Subpoena Duces Tecum



- All photographs, videotapes, motion pictures, film or other graphic depictions, including maps, plats or models, of all alleged comparable sales.
- 3. All appraisal reports, market analyses, income analyses, cost analyses or comparable sales data made, offered, reviewed, compiled, used or consulted by any and all witnesses who may or shall be called to testify in the trial of this cause.
- 4. All logs, digries, journals, daily reports or memorands submitted by any person hired by Defendant or for Defendant's benefit in this lawsuit pertaining to work in progress, construction or performance of construction on the improvement/construction project the subject of this lawsuit.
 - 6. All reports, studies, analyses or data compilations reduced to tangible form used, reviewed, consulted or prepared by or for any testifying witness, specifically including such items or documents prepared by consulting witnesses if such items or documents form the basis in part of any testifying witness's data or opinions about the improvement/construction project.
 - 8. All non-privileged documents relating to, sent to or received from each person having knowledge of facts or issues relevant to the litigation and documents relating to or reflecting their knowledge of the matters and issues involved in this litigation.
- 7. All documents, including correspondence, contracts and land agent's diaries, evidencing, reflecting, showing, authorizing or confirming contacts, offers and negotiations to acquire fee title or other interests in Defendant's land.
- 8. All appraisals of land within the proposed improvement/construction project within five (5) miles of the land, specifically including any appraisals on the land or reflecting damages and calculations of damage thereto, and all information as to any comparable sales considered in connection with any appraisal.
- 4. All documents received by Plaintiff from any participant in the planning, construction and financing of the improvement/construction project proposed by Plaintiff.
- 10. All documents reflecting or evidencing or identifying the employees of Plaintiff who have worked on the project, or the design and location of the facilities involved in the litigation.

JAN-09-2003 15:05

COWLES & THOMPSON

2146722000

P.06/05

JAN-09-2003 13:48 EDDIE

EDDIE VASSALLO LAW OFFICE

214 559 7209

P. 86/86

- All documents that may have been used, viewed or prepared in determining the use or necessity of acquiring a portion of the land for the purposes stated in the litigation.
 - 12. The complete report of any testifying expert for the subject property at issue in the lawsuit, including all supporting schedules, documents, data, notes, work papers, photographs, drafts, intermediate reports and supplemental reports.
 - 13. All documents that reflect, relate to or concern communications between you and any other testifying expert witness retained on behalf of Plaintiff and/or its counsel.
 - 14. All engagement letters, fee statements, invoices, remittance and payment advices relating to teatifying expart witness services on behalf of Plaintiff in this lawsuit.
 - A resume or curriculum vitae for all testifying expert witnesses or any other opinion witnesses.
 - 16. All documents that reflect, refer to or concern the mental impressions, underlying assumptions and opinions of any expert witness in connection with this fawsuit.
 - 17. All documents, reports, models, compilations of data and other material prepared by or for any expert witness in connection with this lawsuit.
- 18. Every appraisal or engineering analysis of Defendant's property, including every expert report and opinion relied upon in formulating opinions in each appraisal and/or engineering report.
- 19. All construction plans, plats, elevation drawings and/or schematics which depict any structure in, on or adjacent to Defendant's property for the improvement/construction project.

Michael Murphy

WATSon Taylon

From:

Chris Terry

Sent:

Thursday, October 10, 2002 9:08 AM

To:

Michael Murphy

Subject:

RE: Watson/Taylor value of improvements

I agree. If you don't hear from Ron, let me know and I will visit with him at 10:00 tomorrow to get his input. Chris

-Original Message---

From:

Michael Murphy

Sent:

Wednesday, October 09, 2002 4:55 PM

To:

Ron Whitehead; Chris Terry

Subject:

Watson/Taylor value of improvements

Ron, Chris,

Attached is a cost breakdown of the value of improvements associated the latest Watson/Taylor offer.

I think we should make this info part of any future discussions with the Watson Taylor people. If you concur I will forward this information to Mr. Dipple.

<< File: Watson Taylor value of improvements.xls >>

Thanks

Mike

Michael E. Murphy, PE **Director of Public Works** (972) 450-2878 Work (214) 215-5280 Mobile (972) 450-2837 Fax

E-Mail: mmurphy@ci.addison.tx.us



PUBLIC WORKS MEMORANDUM

FAX COVER SHEET

TO: Ken Dippel, Cowles and Thompson

Fax (214) 672-2358

FROM: Mike Murphy, Director of Public Works/Addison

Fax # (972) 450-2837 Off # (972) 450-2878

SUBJ: Watson! Taylor ROW Acquisition

DATE: September 27, 2002 (Number of pages - 1)

Ken,

On August 13th, 2002 --- Myself, Ron Whitehead and Steve Chutchian met with Tracy Taylor, George Watson, Dave Kaplin and Erwin ??? to discuss the Town's acquisition of ROW for the Arapaho Road project. After a lengthy discussion on the reasoning, alignment and design of the project, we concluded the meeting with the understanding that the Watson/Taylor attorney would immediately begin working on an offer to the Town of Addison. In the 6 weeks that have passed we have yet to receive an offer or proposal and during the 6-week interim we have contacted Mr. Taylor on several occasions with no successful response. Therefore, I would recommend you draft a letter of pending condemnation similar to the one delivered to Mr. Addison Wilson.

Mr. Taylor's Mailing Address is:

4014 Belt Line Road Addison, TX. 75001-4383

HP LaserJet 3200se

TOALASERJET 3200 9724502837 SEP-27-2002 10:58AM



Fax Call Report

Job DateTimeTypeIdentificationDurationPagesResult8379/27/200210:57:44AMSend921467223580:5010K

Addison!

Public Works Memorandum

FAX COVER SHEET

TO: Ken Dippel, Coules and Thompson Fax (214) 672-2358

FROM: Mike Murphy, Director of Public Works/Addition For # (972) 470-2837 Off # (972) 450-2878

SUBJ: WASSON/TRYLOR ROW Acquisition

DATE: September 27, 2002 (Number of pages - 1)

KEN,

On August 13th, 2002 — Myself. Ron whitehead and Steve Chutchian met with Tracy Taylor. George Watson, Dave Kaplin and Envin ??? to discuss the Town's acquisition of Rolw for the Arapaho Rona project. After a longity alisension on the reasoning, allignment and design of the project, we concluded the meeting with the understanding that the Watson/Taylor attorney would immediately begin working on an offer to the Town of Addison. In the 6 weeks that have passed we have yet to receive an offer or proposal and during the 6-week interin, we have contacted Mr. Taylor on several occasions with ao successful response. Therefore, I would necessary you draft a letter of pending condemnation similar to the one delivered to Mr. Addison Wilson.

Mr. Toylor's Mailing Address is:

4014 Belt Line Road Addison, TX. 75001-1383

ih

Michael Murphy

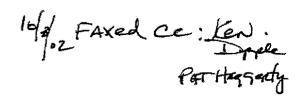
From:

Sent: To:

Luke Jalbert Friday, September 27, 2002-10:40 AM Michael Murphy

Tracy Taylor's address

4014 beltline road #300 addison, Tx 75001-4383





OFFICE OF THE CITY MANAGER

(972) 450-7001 • FAX (972) 450-7043

5300 Belt Line Road

October 2, 2002

Mr. Randy Lee

Vice President

Accor Economy Lodging

14651 Dallas Parkway, Suite 500

Dallas, Texas 75254

RE:

0.6430 Acres Located at 4301 Belt Line Road

Roadway Inn Addition, Edward Cook Survey, Abstract No. 326

Dear Mr. Lee:

Thank you for your September 25, 2002 letter submitting a counter proposal to the Town of Addison for the purchase of the above-referenced property in connection with the Town's Arapaho Road Extension Project. We have reviewed your counter proposal and determined that the Town cannot accept your offer. Thus, we will proceed to acquire the necessary property through the condemnation process. Should you have any questions, please feel free to contact me or Mr. Mike Murphy, Director of Public Works, at (972) 450-2871.

Sincerely,

Ron Whitehead

City Manager for the Town of Addison

Sent Centified 10/3/02 7002 0860 0004 9719 5341

HP LaserJet 3200se

TOALASERJET 3200 9724502837 OCT-3-2002 3:25PM



Fax Call Report

Identification Result Time Type Duration **Pages** Job Date 3:24:11PM 99722480230 0:58 1 OK 958 10/ 3/2002 Send



OFFICE OF THE CITY MANAGER

(917) 450-7064 = FAX (971) 450-7043

October 2, 2002

Mr. Randy Lee Vice President Accor Economy Lodging 14651 Dallas Fackway, Suite 500 Dallas, Texas 75254

RE: 0.6430 Acres Located at 4301 Belt Line Road Roadway Inn Addition, Edward Cook Survey, Abstract No. 326

Thank you for your September 25, 2002 letter submitting a counter proposal to the Town of Addison for the purchase of the above-referenced property in connection with the Town's Ampaho Road Extension Project. We have reviewed your counter proposal and determined that the Town cannot accept your offer. Thus, we will proceed to acquire the necessary property through the condemnation process. Should you have any questions, please feel free to contact me or Mr. Mike Murphy, Director of Public Works, at (972) 450-2871.

Ron Whitehead City Manager for the Town of Addison

HP LaserJet 3200se

TOALASERJET 3200 9724502837 0CT-3-2002 2:48PM



Fax Call Report

Туре Identification Result Duration **Pages** Job Date Time 955 10/ 3/2002 2:47:12PM Send 92146722358 0:54 2 OK

TOWN OF ADDISON
PUBLIC WORKS

XCN_Dipple Fro

Company:_

Date: 10-3-02

No. of Pages (including cover):______

Michael E. Murphy, P.E. Director of Public Works

Office: 972/450-2878 Fax: 972/450-2837

16801 Westgrove P.O. Box 9010 Addison, TX 76001-9010



OFFICE OF THE CITY MANAGER

Post Office Box 9010 Addison, Texas 75001-9010

September 17, 2002

Mr. Rick Larsen Tharaldson Development 1201 Page Drive Fargo, North Dakota 58103

Re:

Lots 4&5, Addison Restaurant Park

Heritage Inn Number XIII/Tharaldson Development

Dear Mr. Larsen:

ROW. Several

9/18/02

MIRE - I THOUGHT

YOU MIGHT NEED A

CORY OF ALL 5

R.O.W. Letters THAT

WE ARE SENDINGOUT.

stere

We recently received your company's proposal dated July 22, 2002, regarding the Town of Addison's acquisition of a .5792-acre tract of land and a temporary construction easement in connection with the construction of Arapaho Road. In consideration of this offer, the Town of Addison will pay the appraised value of \$140,700.00 as the purchase price for the permanent right-of-way and temporary construction easement. In addition, the Town will provide all necessary engineering and construction improvements to accommodate a single access drive from Arapaho Road to the property (property dimensions preclude more than one driveway entrance from Arapaho Road). The cost of such improvements is expected to total approximately \$127,800.00.

Since the property will have frontage on Arapaho Road, you will be eligible for an additional sign in accordance with the ordinances and regulations of the Town. Thus, no provision addressing the requested sign variance has been included in the Contract of Sale setting forth the terms of this arrangement, which is enclosed for review and execution by Mr. Gary Tharaldson, who we understand is the president of Midwest Heritage Inn, Inc., the general partner of Heritage Inn Number XIII.

As the Arapaho Road project is moving along quickly, we request your response to this within 10 days of receipt. If we do not hear from you within the 10-day time frame, we will consider the offer rejected and proceed to condemnation.

Should you have any questions, please feel free to contact Mr. Mike Murphy, Director of Public Works, at (972) 450-2871, or myself.

Sincerely,

Ron Whitehead City Manager

CONTRACT OF SALE

This Contract of Sale (this "Contract") is made and entered into by and between Heritage Inn Number XIII, Limited Partnership (the "Seller") and the Town of Addison, Texas (herein sometimes referred to as the "Buyer").

WITNESSETH:

WHEREAS, Seller is the sole owner of the real property located in the Town of Addison and described in Exhibit A attached hereto and incorporated herein (the Entire Tract); and

WHEREAS, the Town of Addison intends to construct an extension of Arapaho Road through the Town (the Arapaho Road Phase III Extension), part of which will be located upon and across a portion of the Entire Tract (which portion is described in Exhibit B attached hereto and incorporated herein (and referred to herein as the Property)); and

WHEREAS, during and in connection with the construction of the part of the Arapaho Road Phase III Extension which will be located upon and across the Property, the Town will need to use another portion of the Entire Tract (the Easement Area, described in Exhibit C attached hereto and incorporated herein) for temporary construction purposes (the Temporary Construction Easement); and

WHEREAS, Buyer desires to acquire the Property for street right-of-way and other public purposes and to acquire the Temporary Construction Easement in connection with the construction of the Arapaho Road Phase III Extension, and Seller desires to sell and convey the Property and the Temporary Construction Easement to Buyer; and

WHEREAS, Seller and Buyer desire to enter into this Contract setting forth the terms and conditions of such sale;

NOW, THEREFORE, Seller and Buyer, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

ARTICLE I Defined Terms

- 1.1 <u>Definitions</u>. As used herein, the following terms shall have the meanings indicated:
- "Closing" means the consummation of the purchase of the Property by Buyer from Seller in accordance with Article VII.
- "Closing Date" means the date specified in Section 7.1 on which the Closing is to be held.
- "<u>Deed</u>" means the Warranty Deed to be executed by Seller in favor of Buyer, the form of which is attached hereto as <u>Exhibit D</u> and incorporated herein.
- "Easement Area" means the real property described in Exhibit C attached hereto and incorporated herein.

- "Effective Date" means the date on which Buyer and Seller have both fully executed this Contract.
- "Entire Tract" means the real property described in Exhibit A attached hereto and incorporated herein.
- "Permitted Exceptions" means, with respect to the Property, all validly existing and presently recorded public utility easements and building set back lines.
- "Property" means that certain tract of land described in Exhibit B, attached hereto and incorporated herein, together with any building or other structure or improvements, including, without limitation, fixtures, presently situated thereon, and together with all privileges, easements, and other rights appurtenant thereto.
- "Purchase Price" means the total consideration to be paid by Buyer to Seller for the purchase of the Property as set forth in Section 3.1.
- "Remainder Tract" means the Entire Tract save and except the Property.
- "Temporary Construction Easement" means the Temporary Construction Easement on, across, in, over, under, and through the Easement Area as described in, and in the form attached hereto as, Exhibit E.
- "Title Company" means Republic Title of Texas, Inc., 2626 Howell Street, 10th Floor, Dallas, Texas 75204.
- 1.2 Other Defined Terms. Certain other defined terms shall have the respective meanings assigned to them elsewhere in this Contract.

ARTICLE II Agreement of Purchase and Sale

2.1 Agreement. On the terms and conditions stated in this Contract, Seller hereby agrees to sell and convey the Property and the Temporary Construction Easement to Buyer, and Buyer, in consideration of the performance of the agreements of Seller contained in this Contract and in reliance on the representations and warranties of Seller contained in this Contract, hereby agrees to purchase the Property and the Temporary Construction Easement from Seller.

ARTICLE III Purchase Price

3.1 Purchase Price. The Purchase Price to be paid by Buyer to Seller for the Property and the Temporary Construction Easement is \$140,700.00. The Purchase Price is payable by Buyer in cash at Closing.

ARTICLE IV Representations, Warranties and Covenants

4.1 <u>Seller's Representations and Warranties</u>. Seller represents and warrants to Buyer as follows:

- (a) Seller has the full right, power, and authority to sell and convey the Property and the Temporary Construction Easement as provided in this Contract and to carry out Seller's obligations hereunder, and all requisite action necessary to authorize Seller to enter into this Contract and to carry out its obligations hereunder has been, or by the Closing will have been, taken.
- (b) Seller has not received notice from any governmental authority that there are, to the best of Seller's information, knowledge, and belief, there does not exist, and Seller has not used or deposited (and to the best of Seller's knowledge no prior owner or current or prior tenant has used or deposited), any Hazardous Substances, as hereinafter defined, at, on, or under the Property or the Easement Area in violation of the Comprehensive Environmental Response, Compensation and Liability Act, the Superfund Amendment and Reauthorization Act, the Resource Conservation Recovery Act, the Federal Water Pollution Control Act, the Federal Environmental Pesticides Act, the Clean Water Act, the Clean Air Act, all so-called Federal, State and Local "Superfund" and "Superlien" statutes, and all other statutes, laws, ordinances, codes, rules, regulations, orders and decrees regulating, relating to or imposing liability (including strict liability) or standards of conduct concerning any hazardous substances (collectively the "Hazardous Substance Laws"). For purposes of this Contract, the terms Hazardous Substances shall mean and include those elements or compounds which are contained in the list of Hazardous Substances adopted by the United States Environmental Protection Agency and the list of toxic pollutants designated by Congress or the Environmental Protection Agency or under any Hazardous Substance Laws. Hazardous Substances shall also include Radon gas and asbestos.
- (c) The Property and the Easement Area and all parts thereof are not now subject to any litigation, or other legal or administrative proceedings, and Seller has no knowledge of any facts that might result in any such litigation or proceedings. Seller has not received notice from any governmental or quasi-governmental agency requiring the correction of any condition with respect to the Property or the Easement Area, or any part thereof, by reason of a violation of any federal, state, county or city statute, ordinance, code, rule or regulation or stating that any investigation is being commenced or is contemplated regarding any of the foregoing.
- 4.2 <u>Buyer's Representations and Warranties</u>. Buyer has the full right, power, and authority to buy the Property and to acquire the Temporary Construction Easement as provided in this Contract and to carry out Buyer's obligations hereunder.

ARTICLE V Title

5.1 <u>Title Policy</u>. At the Closing, Seller, at Buyer's sole cost and expense, shall cause a standard Texas owner's policy of title insurance (the "Title Policy") to be furnished to Buyer. The Title Policy shall be issued by the Title Company in the amount of \$140,700.00, and insuring that the Buyer has indefeasible fee simple title to the Property. The Title Policy may contain only the standard printed exceptions and the Permitted Exceptions (except as otherwise provided in Paragraph 7.2 and other provisions hereof).

ARTICLE VI Conditions to Buyer's Obligations

6.1 <u>Conditions to Buyer's Obligations</u>. The obligations of Buyer hereunder to consummate the transaction contemplated hereby are subject to the satisfaction, as of the Closing, of each of

the following conditions (any of which may be waived in whole or in part in writing by Buyer at or prior to the Closing):

- (a) All representations and warranties of the Seller shall be true on and as of the Closing Date.
- (b) The Property and the Easement Area, or any part thereof, shall not have been and shall not be threatened to be affected in any way as a result of litigation, any action by the United States or any other governmental authority, flood or act of God.

ARTICLE VII Closing

7.1 <u>Date and Place of Closing</u>. The Closing shall take place in the offices of the Title Company. The Closing Date shall be thirty (30) days after the Effective Date. The Closing Date may be extended or accelerated by the mutual agreement of the parties.

7.2 Items to be Delivered at the Closing.

- (a) <u>Seller</u>. At the Closing, Seller shall deliver or cause to be delivered to Buyer the following items:
- (i) The Deed, duly executed and acknowledged by Seller, subject only to the Permitted Exceptions;
- (ii) The Temporary Construction Easement, duly executed and acknowledged by Seller;
- (iii) An affidavit, in a form reasonably acceptable to Buyer, in compliance with Section 1445 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder, stating under penalty of perjury the Seller's United States identification number and that Seller is not a non-resident alien; provided, however, that if Seller fails to deliver this affidavit, Buyer shall be entitled to withhold from the Purchase Price and pay to the Internal Revenue Service the amounts required by Section 1445, and applicable regulations promulgated thereunder;
 - (iv) The Title Policy;
- (v) Sufficient evidence that Seller has authority to sell the Property and to convey the Temporary Construction Easement and to execute all closing documents on behalf of Seller; and
- (vi) Such other documents as the Title Company may request in order to close this Contract and issue the Title Policy (including, without limitation, such affidavits as the Title Company may reasonably request in order that the Title Policy will not contain exceptions for parties in possession or tenants in possession under unrecorded leases, or to the extent necessary to determine that the Seller is not the same individual as may be identified in any abstracts of judgment, bankruptcy filings, that there are no unpaid debts for work that has been done or materials furnished in connection with the Property or the Easement Area and that there are no unrecorded mechanic's or materialmen's liens upon the Property or the Easement Area, etc.).

- (b) <u>Buyer</u>. At the Closing, Buyer shall deliver to Seller:
 - (i) The Purchase Price; and
- (ii) Such other documents as the Title Company may request in order to close this Contract and issue the Title Policy.
- 7.3 <u>Property Taxes</u>. Seller shall assume the obligation to pay property taxes and assessments for the current year 2002 without proration.
- 7.4 <u>Possession</u>. At Closing, Seller shall deliver possession of the Property to Buyer. Possession of the Easement Area by the Town of Addison shall be as set forth and in accordance with the Temporary Construction Easement.
- 7.5 <u>Costs of Closing</u>. Buyer shall pay all recording fees attributable to the transfer of title to the Property and the conveyance of the Temporary Construction Easement and all of the closing or escrow fees of the Title Company. Each party shall pay its own attorneys' fees and expenses.

ARTICLE VIII Post-Closing Obligations

8.1 Access. Buyer and Seller hereby agree that Seller shall have a single point of ingress and egress between the Remainder Tract and the completed Arapaho Road Phase III Extension (the Access) which shall be located at or about that location shown on the preliminary drawing of the associated improvements attached hereto as Exhibit F. Buyer shall provide all necessary engineering and construction improvements in connection with the access curb cut and the associated improvements; provided, however, that matters related to the Access, including, without limitation, the location of the Access and its dimension, may be adjusted, modified, reconfigured or otherwise altered in the sole discretion of the Town of Addison after notice to Seller. This provision shall not be interpreted to limit the authority of the Town with respect to the design or use of its streets.

ARTICLE IX <u>Defaults and Remedies</u>

- 9.1 Seller's Defaults; Buyer's Remedies. In the event that Seller should fail to consummate the transaction contemplated herein for any reason, except Buyer's default, Buyer, as its sole and exclusive remedy, may either: (i) terminate this Contract by written notice delivered to Seller on or before the Closing Date, or (ii) enforce specific performance of this Contract against Seller requiring Seller to convey the Property and the Temporary Construction Easement to Buyer. Buyer shall also be entitled to pursue condemnation of the Property and the Temporary Construction Easement.
- 9.2 <u>Buyer's Default: Seller's Remedies</u>. In the event that Buyer should fail to consummate the transaction contemplated herein for any reason, except default by Seller or the nonsatisfaction of any of the conditions to Buyer's obligations, set forth herein, Seller, as its sole and exclusive remedy, may terminate this Contract by written notice delivered to Buyer on or before the Closing Date.

ARTICLE X Miscellaneous

Notices. All notices, demands, requests, and other communications required or permitted hereunder shall be in writing, and shall be deemed to be delivered, upon the earlier to occur of (a) actual receipt, and (b) upon the deposit of the original in a regularly maintained receptacle for the United States mail, registered or certified, postage prepaid, addressed as follows:

Seller:	

Buyer:

The Town of Addison P.O. Box 9010 5300 Belt Line Road Addison, Texas 75001-9010

Attn: Carmen Moran

With a copy to:

Angela K. Washington Cowles & Thompson, P.C. 901 Main Street, Suite 4000 Dallas, Texas 75202

- Governing Law. This Contract is being executed and delivered, and is intended to be performed in the State of Texas and the laws of Texas govern the validity, construction, enforcement, and interpretation of this Contract.
- Entirety and Amendments. This Contract embodies the entire agreement between the parties and supersedes all prior agreements and understandings, if any, relating to the Property, the Temporary Construction Easement, and other matters set forth herein, and may be amended or supplemented only by an instrument in writing executed by the party against whom enforcement is sought.
- Parties Bound. This Contract is binding upon and inures to the benefit of Seller and Buyer, and their respective heirs, personal representatives, successors, and assigns.
- Further Acts. In addition to the acts and deeds recited in this Contract and contemplated to be performed, executed, and/or delivered by Seller to Buyer, Seller and Buyer agree to perform, execute, and/or deliver or cause to be performed, executed, and/or delivered at the Closing or after the Closing any and all further acts, deeds, and assurances as are reasonably necessary to consummate the transactions contemplated hereby.
- Survival. Except as otherwise provided herein, all warranties, representations and agreements contained herein shall survive the Closing hereof.

- 10.7 <u>Counterpart Execution</u>. This Contract may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument.
- 10.8 <u>Assignment</u>. Buyer shall have no power or right to assign this Contract without the prior written consent of Seller.
- 10.9 Maintenance of the Property. Between the Effective Date and the Closing, Seller shall:
- (a) Maintain the Property in good repair, reasonable wear and tear accepted, except that in the event of a fire or other casualty, damage or loss, Seller shall have no duty to repair said damage other than as provided in this Contract;
- (b) Advise Buyer promptly of any litigation, arbitration or administrative hearing concerning or effecting the Property of which Seller has knowledge or notice;
- (c) Immediately notify Buyer of any material injury or damage to the Property or any portion thereof;
- (d) Not, without the prior written consent of the Buyer, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual (except for the lien for ad valorem taxes on the property which are not delinquent) security interest, encumbrance or charge, or conditional sale or other title retention document, other than the Permitted Exceptions for matters that will be released or bonded around, at or prior to Closing, and should any of the foregoing become attached hereafter in any manner to any part of the Property without the prior written consent of Buyer, Seller shall cause the same to be promptly discharged and released; and
- (e) Not and shall use best efforts not to allow and permit the release of Hazardous Materials of any kind in, under, or above the improvements or into or onto the surface water, ground water, soil or subsurface of the Property.

, 2002	<u>SELLER</u> :		
	Heritage Inn Number XIII, Limited Partnership		
	By: Midwest Heritage Inn, Inc., its General Partner		
	By: Gary Tharaldson, President		
, 2002	BUYER: Town of Addison, Texas		
	, 2002		

Ron Whitehead, City Manager

EXHIBIT A

PROPERTY DESCRIPTION

BEING a tract of land situated in the Edward Cook Survey, Abstract No. 326, Dallas County, Texas, said tract being a part of the Addison Restaurant Park, an Addition in the City of Addison, Texas as recorded in Volume 88066, Page 4219, Map Records, Dallas County, Texas, and being more particularly described as follows:

COMMENCING at a 1/2" iron rod found at the Northeast corner of Addison Oaks Addition, Lot 3, an Addition in the City of Addison as recorded in Volume 90012, Page 3378, Map Records, Dallas County, Texas, said iron rod also being situated in the West line of Lot 1, Block 1, of Beltwood Reservoir Addition, an addition in the City of Addison as recorded in Volume 90012, Page 3386, Map Records, Dallas County, Texas, said iron rod further being N 00° 43' 00" E, a distance of 400.34 feet from the North line of Beltline Road (a 100' ROW);

THENCE: N 00° 43' E; a distance of 70.85 feet to a 1/2" iron rod set for corners and being the TRUE PLACE OF BEGINNING:

THENCE: N 89° 51' 0.1" W, a distance of 397.64 to a 1/2" iron rod set in the East line of Lot 1, Addison Oaks Addition, an addition in the City of Addison, as recorded in Volume 89166, Page 1974, Map Records, Dallas County, Texas:

THENCE: N 00° 08° 59° E, a distance of 21 50 feet along the East line of Lot 1, Addison Oaks Addition to a ½" iron rod found at the Northeast corner of said Lot 1, Addison Oaks Addition:

THENCE: N 89° 51' 01" W, along the North line of Lot 1, Addison Oaks Addition 300.00 feet to a ½" iron rod found in the East line of Roadway Inn Addition, an addition in the City of Addison, as recorded in Volume 81052, Page 775, Map Records, Dallas County, Texas:

THENCE: N 00° 08' 59" W. along the East line of the Roadway Inn Addition, a distance of 221.05 feet to the Northeast Corner of said Addition, also being in the South ROW line of Arapaho Road (a 60' ROW).

THENCE: N 86° 21' 00" E, 4 distance of 526.99 along the South ROW line of Arapaho Road to a 1/2" iron rod set for angle;

THENCE: N 80° 53' 00° E, along the South line of Arapaho Road, a distance of 177 16 feet to a 5/8° iron rod found for corners in the West line of Beltwood Reservoir Addition;

THENCE S 00° 43' 00" W, along the West line of said Beltwood Reservoir Addition, a distance of 306.16 feet to the PLACE OF BEGINNING and Containing 4,1525 acres of land

EXHIBIT B

Parcel 5
Field Note Description
Arapaho Road Project
Town of Addison
Dallas County, Texas

BEING a description of a 0.5792 acre (25,228 square foot) tract of land situated in the Edward Cook Survey, Abstract Number 326, Town of Addison, Dallas County, Texas, and being a portion of a called 4.1525 acre tract of land as conveyed to Heritage Inn Number XIII on January 24, 1997 and recorded in Volume 97018, Page 00073 of the Deed Records of Dallas County, Texas, also being a portion of Addison Restaurant Park, a addition to the Town of Addison, dated March 9, 1988 and recorded in Volume 88066, Page 4219 of said Deed Records, said 0.5792 acre tract of land being more particularly described by metes and bounds as follows;

BEGINNING at a 5/8 inch iron rod found for the common Northeast corner of said called 4.1525 acre tract, Southeast corner of a 60 foot wide right of way dedication as evidenced by the said plat of Addison Restaurant Park, and Northwest corner of Lot 1, Block A of Beltwood Reservoir, an addition to the Town of Addison as evidenced by the plat dated August 2, 1989 and recorded in Volume 90012, Page 3386 of said Deed Records, said point also being in the West line of a called 19.01 acre tract of land conveyed to the City of Dallas as evidenced by deed dated August 5, 1958 and recorded in Volume 4942, Page 629 of said Deed Records;

THENCE, SOUTH 00°12'19" WEST (called South 00°43'00" West), along the common East line of said called 4.1525 acre tract and West line of said called 19.01 acre tract, a distance of 21.00 feet to a 5/8 inch iron rod set in a curve of the proposed South right of way line of Arapaho Road;

THENCE, SOUTHWESTERLY, departing said common line and along the proposed South right of way line of Arapaho Road and the arc of a non-tangent curve to the right having a radius of 1,177.92 feet, a central angle of 19°35'42", a chord bearing South 80°13'20" West for 400.88 feet, for an arc distance of 402.84 feet to a 5/8 inch iron rod set for the point of tangency of said curve;

PARCEL 5 - ARAPAHO ROAD PROJECT

THENCE, NORTH 89°58'49 WEST, continuing along said proposed South right of way line of Arapaho Road, a distance of 305.09 feet to a 5/8 inch iron rod set in the common West line of said called 4.1525 acre tract and East line of a called 4.9814 acre tract of land conveyed to Motel 6 Operating L.P. by the deed dated February 1, 1990 and recorded in Volume 90024, Page 0779 of said Deed Records, same being all of Rodeway Inn, an addition to the City of Addison, as evidenced by the plat dated January 16, 1981 and recorded in Volume 81052, Page 0775 of said Deed Records;

THENCE, NORTH 00°24'10" WEST (called North 00°08'59" West), departing said South right of way line of Arapaho road and along said common line, a distance of 20.97 feet to a 5/8 inch iron rod with cap found for the common Northeast corner of said called 4.1525 acre tract, Northwest corner of said called 4.9814 acre tract and Southwest corner of said 60 foot wide right of way dedication;

THENCE, NORTH 85°49'17" EAST (called North 86°21'00" East), departing said common line and along the common North line of said called 4.1525 acre tract and South line of said 60 foot wide right of way dedication, passing at a distance of 397.14 feet a 5/8 inch iron rod found, continuing for a total distance of 533.12 feet (called 526.99 feet) to a 5/8 inch iron rod set for an angle point;

THENCE, NORTH 80°11'36" EAST (called North 80°53'00" East), continuing along said common line, a distance of 171.17 feet (called 177.16 feet) to the **POINT OF BEGINNING**;

CONTAINING an area of 0.5792 acres or 25,228 square feet of land within the metes recited.

EXHIBIT B

PARCEL 5 - ARAPAHO ROAD PROJECT

All bearings are referenced to the North Right of Way line of Centurion Way, called S 89°51'55" E, according to the final plat of Lot 3, Surveyor Addition, recorded in Vol. 77173, Page 135, Deed Records of Dallas County, Texas.

A plat of even survey date herewith accompanies this description.

I, Ayub R. Sandhu, a Registered Professional Land Surveyor, hereby certify that the legal description hereon and the accompanying plat represent an actual survey made on the ground under my supervision.

Ayub R. Sandhu, R.P.L.S.

Texas Registration No. 2910

EXHIBIT C

Parcel 5-TE
Field Note Description
Arapaho Road Project
Town of Addison
Dallas County, Texas

BEING a description of a 0.0813 acre (3,539 square foot) tract of land situated in the Edward Cook Survey, Abstract Number 326, Town of Addison, Dallas County, Texas, and being a portion of a called 4.1525 acre tract of land as conveyed to Heritage Inn Number XIII on January 24, 1997 and recorded in Volume 97018, Page 00073 of the Deed Records of Dallas County, Texas, also being a portion of Addison Restaurant Park, a addition to the Town of Addison, dated March 9, 1988 and recorded in Volume 88066, Page 4219 of said Deed Records, said 0.0813 acre tract of land being more particularly described by metes and bounds as follows;

COMMENCING at the common Northeast corner of said called 4.1525 acre tract, Southeast corner of a 60 foot wide right of way dedication as evidenced by the said plat of Addison Restaurant Park, and Northwest corner of Lot 1, Block A of Beltwood Reservoir, an addition to the Town of Addison as evidenced by the plat dated August 2, 1989 and recorded in Volume 90012, Page 3386 of said Deed Records, said point also being in the West line of a called 19.01 acre tract of land conveyed to the City of Dallas as evidenced by deed dated August 5, 1958 and recorded in Volume 4942, Page 629 of said Deed Records;

THENCE, SOUTH 00°12′19″ WEST (called South 00°43′00″ West), along the common East line of said called 4.1525 acre tract and West line of said called 19.01 acre tract, a distance of 21.00 feet to a point in a curve of the proposed South right of way line of Arapaho Road for the Northeast corner and POINT OF BEGINNING of the herein described tract;

THENCE, SOUTH 00°12'19" WEST (called South 00°43'00" West), departing said proposed South right of way line of Arapaho Road and continuing along said common line, a distance of 5.31 feet to a point for the beginning of a non-tangent curve to the right;

THENCE, SOUTHWESTERLY, departing said common line and along the arc of said curve to the right having a radius of 1,182.92 feet, a central angle of 19°30′28″, a chord bearing South 80°15′57″ West for 400.81 feet, for an arc distance of 402.75 feet to the point of tangency of said curve;

EXHIBIT C

PARCEL 5-TE - ARAPAHO ROAD PROJECT

THENCE, NORTH 89°58'49 WEST, a distance of 305.05 feet to a point in the common West line of said called 4.1525 acre tract and East line of a called 4.9814 acre tract of land conveyed to Motel 6 Operating L.P. by the deed dated February 1, 1990 and recorded in Volume 90024, Page 0779 of said Deed Records, same being all of Rodeway Inn, an addition to the City of Addison, as evidenced by the plat dated January 16, 1981 and recorded in Volume 81052, Page 0775 of said Deed Records;

THENCE, NORTH 00°24'10" WEST (called North 00°08'59" West), along said common line, a distance of 5.00 feet to a point in said proposed South right of way line of Arapaho Road;

THENCE, SOUTH 89°58'49 EAST, departing said common line and along said proposed South right of way line of Arapaho Road, a distance of 305.09 feet to the point of curvature of a tangent curve to the left:

THENCE, NORTHEASTERLY, continuing along said proposed South right of way line of Arapaho Road and the arc of said curve to the left having a radius of 1,177.92 feet, a central angle of 19°35'42", a chord bearing North 80°13'20" East for 400.88 feet, for an arc distance of 402.84 feet to the **POINT OF BEGINNING**;

CONTAINING an area of 0.0813 acres or 3,539 square feet of land within the metes recited.

All bearings are referenced to the North Right of Way line of Centurion Way, called S 89°51'55" E, according to the final plat of Lot 3, Surveyor Addition, recorded in Vol. 77173, Page 135, Deed Records of Dallas County, Texas.

A plat of even survey date herewith accompanies this description.

I, Ayub R. Sandhu, a Registered Professional Land Surveyor, hereby certify that the legal description hereon and the accompanying plat represent an actual survey made on the ground under my supervision.

Ayub R. Sandhu, R.P.L.S.

Texas Registration No. 2910

Sand K. Sando 7-26-01

EXHIBIT D

After Recording Return To:
Angela K. Washington

STATE OF TEXAS

\$ Cowles & Thompson, P.C.

\$ 901 Main Street, Suite 4000

COUNTY OF DALLAS
\$ Dallas, Texas 75202

RIGHT-OF-WAY DEED

DATE:	, 2002		
GRANTOR:	HERITAGE INN NUMBER XIII	, LIMITED PARTNERSHIP	
		- -	
		_	
GRANTEE:	TOWN OF ADDISON, TEXAS		
	5300 Belt Line Road		
	Addison, TX 75001		
	(Dallas County, Texas)		

CONSIDERATION:

One Hundred Seventy-Eight Thousand Five Hundred Forty-Two DOLLARS AND No/100 (\$178,542.00), in hand paid by Grantee, the receipt and sufficiency of which is acknowledged by Grantor.

PROPERTY (INCLUDING ANY IMPROVEMENTS):

A tract of land, herein referred to as Parcel 5, containing approximately 25,228 square feet of land, and more particularly described in Exhibit A (Parcel 5 Field Note Description), and depicted on Exhibit B (Parcel 5 Survey Depiction), which are attached hereto and incorporated herein by reference.

CONVEYANCE:

For the consideration described above, Grantor hereby grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and to hold it to Grantee, Grantee's heirs, executors, administrators, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

MISCELLANEOUS:

(a) Nothing in this instrument shall be construed as a waiver by Grantee of any utility connection charge or other charges imposed by ordinance or Charter of the Town of Addison.

(b) The Property hereby conveyed may be used as a public right-of-way for	the
passage of vehicular and pedestrian traffic, including (without limitation) streets, re	ads,
sidewalks, utilities, drainage, and other customary uses of public right-or-way. Improvem	ents
may be on such grade and according to such plans and specifications as will, in the opinion	n of
Grantee, best serve the public purpose.	

The consideration described above shall be deemed full compensation for the (c)

	of the Property, and for any of Grantor by virtue of Grantee's u	diminution in value that may result to the remaining use of the Property.
(d)	When the context requires it	, singular nouns and pronouns include the plural.
EXE	ECUTED effective as of the day	y first written above.
		Heritage Inn Number XIII, Limited Partnership
		By: Midwest Heritage Inn, Inc., its General Partner
		By:Print Name:
		Print Name:
		Print Title:
	7;	§ § §
COUNTY	OF	§ §
day of	, 2002, per	r public in and for said county and state, on this, sonally appeared, Heritage Inn, Inc., known to me to be the identical
person who executed the person, or e	e executed the within and for e same in his authorized capa	regoing document, and acknowledged to me that he city, and that by his signature on the instrument, the he acted, executed the instrument, for the uses and
	·	Notary Public, State of Print Name:
My Commis	ssion Expires:	FIIIL Name.

WARRANTY DEED (Heritage Inn Number XIII) - Page 2

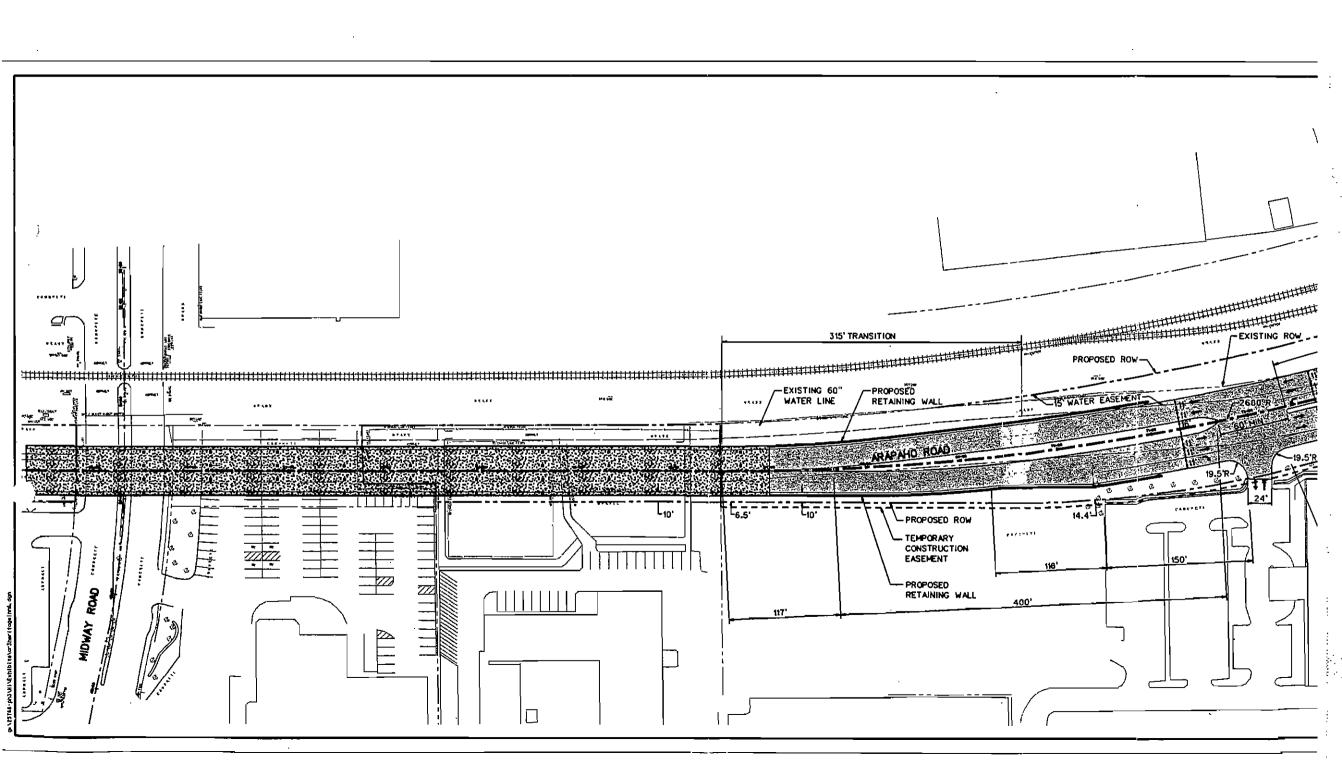
EXHIBIT E

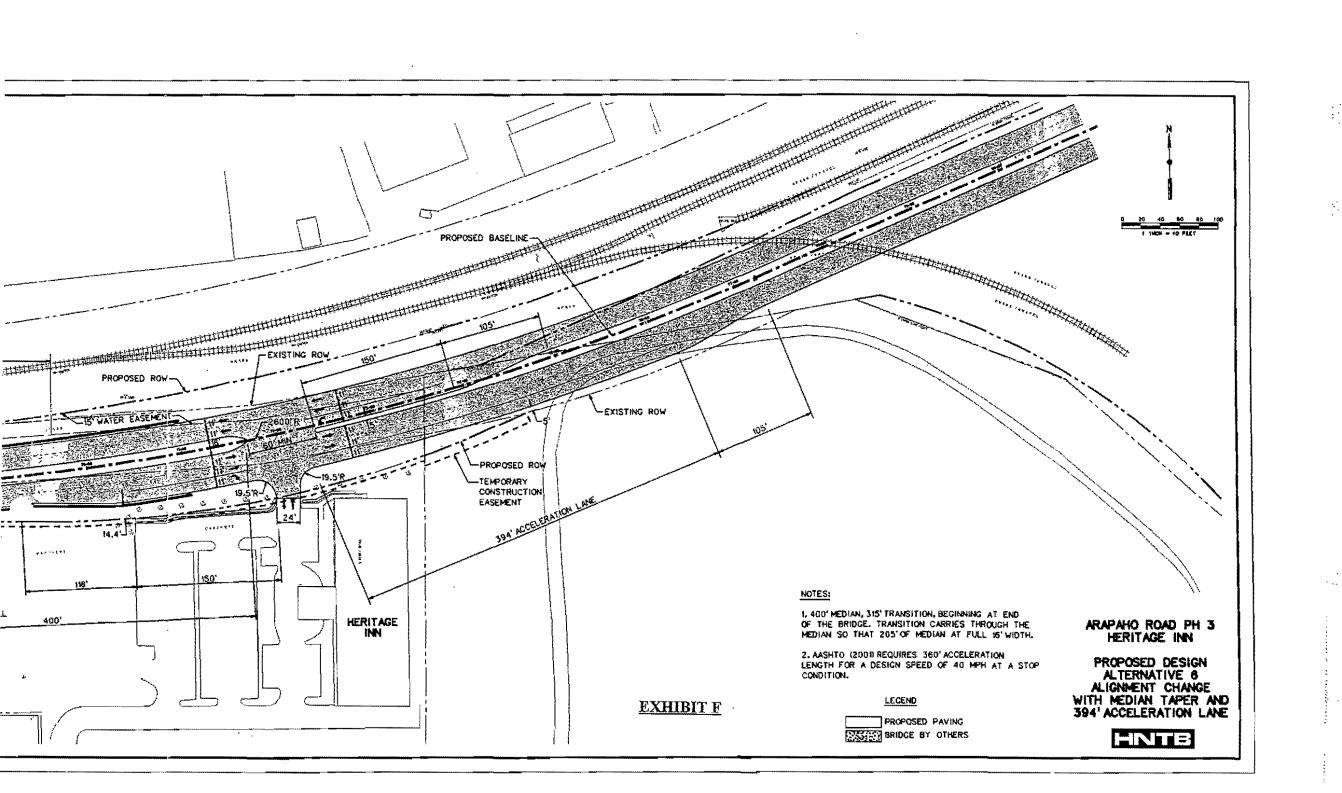
TEMPORARY CONSTRUCTION EASEMENT

STATE OF TEXAS COUNTY OF DALLAS	6 60 60	KNOW ALL MEN BY THESE PRESENTS
Dakota Partnership, hereinafter call DOLLAR (\$1.00) and other good which is hereby acknowledged, do Addison, hereinafter called GRAN easement and right of passage in "Easement Area") of GRANTOR'S depicted on Exhibit B, attached to	led GRA and values by the TEE of the on, over property and inc	BER XIII, LIMITED PARTNERSHIP, a North NTOR, for and in consideration of the sum of ONE luable consideration, the receipt and sufficiency of these presents grant, sell and convey to the Town of the County of Dallas and State of Texas, a temporary ter, across, along, under and through a portion (the ty, which easement and right of passage is shown and corporated herein, for the purpose of constructing a te Easement Area is described as follows:
See attached Exhibit A (Fie part of this easement as if fi		Description for Parcel 5-TE), which is made a ed herein.
contractors in connection with the	construct	ment shall only be used by GRANTEE and its ion of a public right-of-way adjacent to the Easement nent Area to the condition that existed before the
Proceed with construction under	the con	minate 24 months from the date of the Notice to struction contract for the roadway adjacent to the construction of the portion of the roadway adjacent to
purposes and on the conditions set above. Grantor binds Grantor and warrant and defend all and singula	forth her Grantor r the Eas	the Town of Addison, Texas as aforesaid, for the reinabove, the easement and Easement Area described 's heirs, executors, administrators, and successors to sement Area to Grantee for the duration and purposes soever lawfully claiming or to claim the same or any
EXECUTED this	day o	of
		GRANTOR Heritage Inn Number XIII, Limited Partnership By: Midwest Heritage Inn, Inc., its General Partner
	1	By:Print Name:Print Title:

EXHIBIT E

STATE OF	§
COUNTY OF	§ §
day of, 200 known to me to be the identical personacknowledged to me that he execute	son who executed the within and foregoing document, and ted the same in his authorized capacity, and that by his son, or entity upon behalf of which he acted, executed the
GIVEN UNDER my hand an	d seal of office the day and year last above written.
	Notary Public, State of
	Print Name:
MY COMMISSION EXPIRES:	









OFFICE OF THE CITY MANAGER

(972) 450-7000 • FAX (972) 450-7043

Post Office Box 9010 Addison, Texas 75001-9010

5300 Belt Line Road

September 17, 2002

Mr. Randy Lee Vice President Accor Economy Lodging 14651 Dallas Parkway, Suite 500 Dallas, Texas 75254

RE: 4301 Belt Line Road,

Roadway Inn Addition Edward Cook Survey, Abstract No. 326

Dear Mr. Lee:

On August 27, 2002, the Town of Addison authorized condemnation of the above-referenced property. A copy of the condemnation resolution is enclosed. As stated in my June 26, 2002 letter, the Town's final offer for the purchase of the property is \$332,795.00. If you wish to accept this offer, please let us know by September 27, 2002. If we do not hear from you by September 27, 2002, we will proceed to file an action in condemnation.

Very truly yours,

Ron Whitehead

City Manager for the Town of Addison

Enclosure

TOWN OF ADDISON, TEXAS

RESOLUTION NO. R02-079

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS DETERMINING THE NECESSITY OF ACQUIRING THE HEREINAFTER DESCRIBED REAL PROPERTY OWNED BY MOTEL 6 OPERATING, L.P., ET AL. AND AUTHORIZING ITS CONDEMNATION AND/OR APPROPRIATION FOR PUBLIC USE IN CONNECTION WITH THE REALIGNMENT AND EXTENSION OF ARAPAHO ROAD IN ADDISON, TEXAS.

BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. That for the purposes of this Resolution, the following definitions of terms shall apply:

"PROPERTY": The areas described in Exhibit "A" attached hereto and made a part hereof for all purposes.

"PROPERTY INTEREST": Fee simple title to the land described in Exhibit "A" attached hereto and incorporated herein.

"PROJECT": Realignment and extension of Arapaho Road, Addison, Texas.

"OFFER AMOUNT": Three Hundred Thirty Two Thousand Seven Hundred and Ninety Five and No/100 Dollars (\$332,795.00).

"OWNERS": Motel 6 Operating, L.P.

Motel 6 G.P., Inc., general partner of Motel 6 Operating, L.P.

Georges Le Mener, individually and as officer of Motel 6, G.P.,
Inc.

"TENANTS/OWNERS": jojos Restaurants, Inc.

SECTION 2. That it is hereby determined that public convenience and necessity requires that the Town of Addison should acquire the PROPERTY INTEREST in, over, and across the PROPERTY necessary for the PROJECT.

SECTION 3. That the PROPERTY is hereby determined to be necessary for the PROJECT. That for the purpose of acquiring the PROPERTY INTEREST in, over, and across the PROPERTY, the City Manager, or such employee as he may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY to be acquired and full damages allowable by law, which amount represents its fair cash market value.

SECTION 4. That the Town of Addison determines to appropriate the PROPERTY INTEREST in, over, and across the PROPERTY for the PROJECT under the laws of the State of Texas and the provisions of the Charter of the Town of Addison.

SECTION 5. That, in the event the OWNERS accept the OFFER AMOUNT as authorized herein, the City Finance Director be and is hereby authorized to draw a check in favor of the OWNERS named above, or the current owners of record, in the OFFER AMOUNT.

SECTION 6. That the City is to have possession of the PROPERTY on closing; and the City will pay any title expenses and closing costs; and the City will pay court costs as may be assessed by the Special Commissioners or the court.

SECTION 7. Should the employee designated to make the official offer report to the City Attorney that the OWNERS have refused to accept the OFFER AMOUNT as compensation for the hereinabove described taking from the OWNERS under the laws of eminent domain, which amount the City Council deems to be the fair cash market value and all just compensation, in compliance with the laws of the State of Texas, this will be evidence that the Town of Addison cannot agree with the OWNERS as to the damages legally allowable by law. In such case, the City Attorney is authorized and directed to file the necessary suit and take the necessary action for the prompt acquisition of the PROPERTY in condemnation or in any manner provided by law.

SECTION 8. That in the event the Special Commissioners in Condemnation appointed by the court return an award that is the same amount or less that the OFFER AMOUNT, the City Finance Director is hereby authorized to issue a check not to exceed the amount of the Commissioners' award made payable to the County Clerk of Dallas County to be deposited into the registry of the court to enable the City to take possession of the PROPERTY without further action of the City Council.

SECTION 9. That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, then the City Attorney is authorized and directed to join said parties as defendants in said condemnation suit.

SECTION 10. That this resolution shall take effect immediately from and after its passage, as in the Charter in such cases is made and provided.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, this the $27^{\rm th}$ day of August 2002.

Mayor

ATTEST:

City Secretary

APPROYED AS TO FORM:

Ken C. Dippel, City Attorney

"EXHIBIT A"

Parcel 6
Field Note Description
Arapaho Road Project
Town of Addison
Dallas County, Texas

BEING a description of a 0.6430 acre (28,008 square foot) tract of land situated in the Edward Cook Survey, Abstract Number 326, Town of Addison, Dallas County, Texas, and being a portion of a called 4.9814 acre tract of land as conveyed to Motel 6 Operating L.P. on February 1, 1990 and recorded in Volume 90024, Page 0779 of the Deed Records of Dallas County, Texas, said called 4.9814 tract being all of the Rodeway Inn, an addition to the Town of Addison, as evidenced by the plat dated January 16, 1981 and recorded in Volume 81052, Page 0775 of said Deed Records, said 0.6430 acre tract of land being more particularly / described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod found in the proposed North right of way of Arapaho Road and the South right of way line of a 100 foot wide railroad right of way as conveyed to Dallas Area Rapid Transit Property Acquisition Corporation (herein referred to as DART) on December 27, 1990 and recorded in Volume 91008, Page 1390 of said Deed Records, said point being the common Northwest corners of said called 4.9814 acre tract and said Rodeway Inn and Northeast corner of a called 3.334 acre tract of land as conveyed to Addison, R.E. on September 15, 1995 and recorded in Volume 95181, Page 03931 of said Deed Records, said called 3.334 acre tract being all of the Iceoplex Addition, an addition to the Town of Addison, as evidenced by the plat dated on September 20, 1995 and recorded in Volume 95210, Page 03012 of said Deed Records;

THENCE, SOUTH 89°58'49" EAST, along the common proposed North right of way line of Arapaho Road, North line of said called 4.9814 acre tract and South right of way line of said DART railroad, a distance of 268.11 feet (said line being called South 88°51'59" East - 76.23 feet and South 89°11'14" East - 216.99 feet) to a 5/8 inch iron rod set for the beginning of a tangent curve to the left;

PARCEL 6 - ARAPAHO ROAD PROJECT

THENCE, EASTERLY, continuing along said common line and along the arc of said curve to the left having a radius of 2,914.79 feet, a central angle of 2°03'16", a chord bearing North 88°59'33" East for 104.51 feet, for an arc distance of 104.52 feet (said curve being called North 84°35'23" East -79.73 feet) to a 5/8 inch iron rod set for the common Northeast corner of said called 4.9814 acre tract and Northwest corner of a called 4.1525 acre tract of land as conveyed to Heritage Inn Number XIII on January 24, 1997 and recorded in Volume 97018, Page 00073 of said Deed Records, said called 4.1525 acre tract being a portion of Addison Restaurant Park, a addition to the Town of Addison, dated March 9, 1988 and recorded in Volume 88066, Page 4219 of said Deed Records;

THENCE, SOUTH 00°24'10" EAST (called South 00°27'09" East), departing said common line and along the common East line of said called 4.9814 acre tract and West line of said called 4.1525 acre tract, a distance of 80.83 feet to a 5/8 inch iron rod set in the proposed South right of way line of Arapaho Road;

THENCE, NORTH 89°58'49" WEST, departing said common line and along the proposed South right of way of Arapaho Road, a distance of 296.05 feet to a 5/8 inch iron rod set in the common West line of said called 4.9814 acre tract and East line of said called 3.334 acre tract;

THENCE, NORTH 00°31'18" WEST (called North 00°28'23" West), departing said line and along the said common West line of said called 4.9814 acre tract and East line of said called 3.334 acre tract, a distance of 19.13 feet to a 1/2 inch iron rod found for a common interior ell corner of said called 4.9814 acre tract and the most Easterly Northeast corner of said called 3.334 acre tract;

THENCE, SOUTH 89°55'39" WEST (called North 88°51'59" West), along a South line of said called 4.9814 acre tract and a North line of said called 3.334 acre tract, a distance of 75.91 feet (called 75.60 feet) to a 1/2 inch iron rod found for the common most Westerly Southwest corner of said called 4.9814 acre tract and an interior ell corner of said called 3.334 acre tract;

THENCE, NORTH 00°59'43" WEST (called North 01°04'54" West), along the common West line of said called 4.9814 acre tract and East line of said called 3.334 acre tract, a distance of 59.96 feet (called 60.10 feet) to the **POINT OF BEGINNING**;

PARCEL 6 - ARAPAHO ROAD PROJECT

CONTAINING an area of 0.6430 acres or 28,008 square feet of land within the metes recited.

All bearings are referenced to the North Right of Way line of Centurion Way, called S 89°51'55" E, according to the final plat of Lot 3, Surveyor Addition, recorded in Vol. 77173, Page 135, Deed Records of Dallas County, Texas.

A plat of even survey date herewith accompanies this description.

I, Ayub R. Sandhu, a Registered Professional Land Surveyor, hereby certify that the legal description hereon and the accompanying plat represent an actual survey made on the ground / under my supervision.

Ayub R. Sandhu, R.P.L.S.

Texas Registration No. 2910







DFFICE OF THE CITY MANAGER

(972) 450-7000 • FAX (972) 450-7043

Post Office Box 9010 Addison, Texas 75001-9010

5300 Belt Line Road

September 17, 2002

Mr. Dale Bullough Bullough / Lykos Office Building No. 1, L.P. 4101 Centurion Way Addison, Texas 75001

RE: 4101 Centurion Way, Lot 5, Surveyor Addition,

Addison West Industrial Park

Dear Mr. Bullough:

On August 27, 2002, the Town of Addison authorized condemnation of the above-referenced property. A copy of the condemnation resolution is enclosed. As stated in my June 26, 2002 letter, the Town's final offer for the purchase of the property is \$29,357.00. If you wish to accept this offer, please let us know by September 27, 2002. If we do not hear from you by September 27, 2002, we will proceed to file an action in condemnation.

Very truly yours,

Ron Whitehead

City Manager for the Town of Addison

Enclosure

TOWN OF ADDISON, TEXAS

RESOLUTION NO. R02-076

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS DETERMINING THE NECESSITY OF ACQUIRING THE HEREINAFTER DESCRIBED REAL PROPERTY OWNED BY BULLOUGH/LYKOS OFFICE BUILDING NO. 1, L.P., ET AL. AND AUTHORIZING ITS CONDEMNATION AND/OR APPROPRIATION FOR PUBLIC USE IN CONNECTION WITH THE REALIGNMENT AND EXTENSION OF ARAPAHO ROAD IN ADDISON, TEXAS.

BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. That for the purposes of this Resolution, the following definitions of terms shall apply:

"PROPERTY": The areas described in Exhibit "A" and Exhibit "B" attached hereto and made a part hereof for all purposes.

"PROPERTY INTERESTS": Fee simple title to the land described in Exhibit "A" attached hereto and incorporated herein. Temporary construction easement in, over and across the land described in Exhibit "B" attached hereto and incorporated herein.

"PROJECT": Realignment and extension of Arapaho Road, Addison, Texas.

"OFFER AMOUNT": Twenty Nine Thousand Three Hundred and Fifty Seven and No/100 Dollars (\$29,357.00).

"OWNERS": Bullough/Lykos Office Building No. 1, L.P.

Applied Property Management Co., general partner of

Bullough/Lykos Office Building No. 1, L.P.

Thomas J. Lykos, Jr., individually, and as officer of Applied

Property Management Co.

"TENANTS/OWNERS": DCB Investment Company

"LIENHOLDERS": Kircrow Enterprises, Inc.

BankTEXAS, N.A.

David F. Weaver, Trustee

SECTION 2. That it is hereby determined that public convenience and necessity requires that the Town of Addison should acquire the PROPERTY INTERESTS in, over, and across the PROPERTY necessary for the PROJECT.

SECTION 3. That the PROPERTY is hereby determined to be necessary for the PROJECT. That for the purpose of acquiring the PROPERTY INTERESTS in, over, and across the PROPERTY, the City Manager, or such employee as he may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY to be acquired and full damages allowable by law, which amount represents its fair cash market value.

SECTION 4. That the Town of Addison determines to appropriate the PROPERTY INTERESTS in, over, and across the PROPERTY for the PROJECT under the laws of the State of Texas and the provisions of the Charter of the Town of Addison.

SECTION 5. That, in the event the OWNERS accept the OFFER AMOUNT as authorized herein, the City Finance Director be and is hereby authorized to draw a check in favor of the OWNERS named above, or the current owners of record, in the OFFER AMOUNT.

SECTION 6. That the City is to have possession of the PROPERTY on closing; and the City will pay any title expenses and closing costs; and the City will pay court costs as may be assessed by the Special Commissioners or the court.

SECTION 7. Should the employee designated to make the official offer report to the City Attorney that the OWNERS have refused to accept the OFFER AMOUNT as compensation for the hereinabove described taking from the OWNERS under the laws of eminent domain, which amount the City Council deems to be the fair cash market value and all just compensation, in compliance with the laws of the State of Texas, this will be evidence that the Town of Addison cannot agree with the OWNERS as to the damages legally allowable by law. In such case, the City Attorney is authorized and directed to file the necessary suit and take the necessary action for the prompt acquisition of the PROPERTY in condemnation or in any manner provided by law.

SECTION 8. That in the event the Special Commissioners in Condemnation appointed by the court return an award that is the same amount or less that the OFFER AMOUNT, the City Finance Director is hereby authorized to issue a check not to exceed the amount of the Commissioners' award made payable to the County Clerk of Dallas County to be deposited into the registry of the court to enable the City to take possession of the PROPERTY without further action of the City Council.

SECTION 9. That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, then the City Attorney is authorized and directed to join said parties as defendants in said condemnation suit.

SECTION 10. That this resolution shall take effect immediately from and after its passage, as in the Charter in such cases is made and provided.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, this the $27^{\rm th}$ day of August 2002.

Mayor

Town of Addison, Texas

ATTEST:

Carmen Moran, City Secretary

APPRØØED AS TO FORM:

Ken C. Dippel, City Attorriey

"EXHIBIT A"

Parcel 11
Field Note Description
Arapaho Road Project
Town of Addison
Dallas County, Texas

BEING a description of a 0.2950 acre (12,852 square foot) tract of land situated in the David Myers Survey, Abstract Number 923, Town of Addison, Dallas County, Texas, and being a portion of a called 1.103 acre tract of land conveyed to Bullough/Lykos Office Building No. 1, L.P. on June 11, 1998 and recorded in Volume 98115, Page 03999 of the Deed Records of Dallas County, Texas, said called 1.103 acre tract being all of "Lot 5, Surveyor Addition, Addison West Industrial Park", an addition to the Town of Addison, as evidenced by the plat dated February 7, 1979 and recorded in Volume 79053, Page 0620 of said Deed Records, said 0.3664 acre tract of land being more particularly described by metes and bounds as follows;

BEGINNING at a 5/8 inch iron rod set in the proposed North right of way line of Arapaho Road and the South right of way line of a 100 foot wide railroad right of way as conveyed to Dallas Area Rapid Transit Property Acquisition Corporation (herein referred to as DART) on December 27, 1990 and recorded in Volume 91008, Page 1390 of said Deed Records, said point being the common Northeast corner of said called 1.103 acre tract and Northwest corner of a called 1.3713 acre tract of land (designated "Tract 1") conveyed to 4125 Centurion Way, L.P. on June 18, 1998 and recorded in Volume 98121, Page 00188 of said Deed Records, from said point a 1/2 inch iron rod found bears South 45°10'16" East a distance of 0.38 feet, said 0.3664 acre tract of land being more particularly described by metes and bounds as follows;

THENCE, SOUTH 00°08'05" WEST, departing said lines and along the common East line of said called 1.103 acre tract and West line of said called 1.3713 acre tract, a distance of 78.95 feet to a 5/8 inch iron rod set in the proposed South right of way line of Arapaho Road;

PARCEL 11 - ARAPAHO ROAD PROJECT

THENCE, NORTH 89°58'49" WEST, departing said common line and along the proposed South right of way line of Arapaho Road, a distance of 162.76 feet to a 5/8 inch iron rod set in the common West line of said called 1.103 acre tract and East line of a called 4.081 acre tract of land conveyed to Public Storage of Dallas, LTD. on October 3, 1979 and recorded in Volume 79196, Page 3188 of said Deed Records, said called 4.081 acre tract being all of Lot 3, of the Watson and Taylor Subdivision No. 2, an addition to the Town of Addison, as evidenced by the plat dated September 12, 1979 and recorded in Volume 79180, Page 0888 of said Deed Records;

THENCE, NORTH 00°06'08" EAST (called North 00°08'05" East), departing said line and along the common West line of said called 1.103 acre tract and East line of said called 4.081 acre tract, a distance of 78.95 feet to a 1/2 inch iron rod found in the proposed North right of way line of Arapaho Road and the South right of way line of said DART railroad, said point being the common Northwest corner of said called 1.103 acre tract and Northeast corner of said called 4.081 acre tract;

THENCE, SOUTH 89°58'49" EAST (called EAST), departing said common line and along the common North line of said called 1.103 acre tract, proposed North right of way line of Arapaho Road, and South right of way line of said DART railroad, a distance of 162.80 feet (called 162.84 feet) to the **POINT OF BEGINNING**;

CONTAINING an area of 0.2950 acres or 12,852 square feet of land within the metes recited.

PARCEL 11 - ARAPAHO ROAD PROJECT

All bearings are referenced to the North Right of Way line of Centurion Way, called S 89°51'55" E, according to the final plat of Lot 3, Surveyor Addition, recorded in Vol. 77173, Page 135, Deed Records of Dallas County, Texas.

A plat of even survey date herewith accompanies this description.

I, Ayub R. Sandhu, a Registered Professional Land Surveyor, hereby certify that the legal description hereon and the accompanying plat represent an actual survey made on the ground under my supervision.

Ayub R. Sandhu, R.P.L.S.

Texas Registration No. 2910

"EXHIBIT B"

Parcel 11-TE
Field Note Description
Arapaho Road Project
Town of Addison
Dallas County, Texas

BEING a description of a 0.0187 acre (814 square foot) tract of land situated in the David Myers Survey, Abstract Number 923, Town of Addison, Dallas County, Texas, and being a portion of a called 1.103 acre tract of land conveyed to Bullough/Lykos Office Building No. 1, L.P. on June 11, 1998 and recorded in Volume 98115, Page 03999 of the Deed Records of Dallas County, Texas, said called 1.103 acre tract being all of "Lot 5, Surveyor Addition, Addison West Industrial Park", an addition to the Town of Addison, as evidenced by the plat dated February 7, 1979 and recorded in Volume 79053, Page 0620 of said Deed Records, said 0.0187 acre tract of land being more particularly described by metes and bounds as follows;

COMMENCING at the common Northeast corner of said called 1.103 acre tract and Northwest corner of a called 1.3713 acre tract of land (designated "Tract 1") conveyed to 4125 Centurion Way, L.P. on June 18, 1998 and recorded in Volume 98121, Page 00188 of said Deed Records, said corner being in the proposed North right of way line of Arapaho Road and the South right of way line of a 100 foot wide railroad right of way as conveyed to Dallas Area Rapid Transit Property Acquisition Corporation (herein referred to as DART) on December 27, 1990 and recorded in Volume 91008, Page 1390 of said Deed Records;

THENCE, SOUTH 00°08'05" WEST, departing said lines and along the common East line of said called 1.103 acre tract and West line of said called 1.3713 acre tract, a distance of 78.95 feet to a point in the proposed South right of way line of Arapaho Road for the Northeast corner and **POINT OF BEGINNING** of the herein described tract;

THENCE, SOUTH 00°08'05" WEST, continuing along said common line, a distance of 5.00 feet to a point for corner;

THENCE, NORTH 89°58'49" WEST, departing said common line, a distance of 162.76 feet to a point in the common West line of said called 1.103 acre tract and East line of a called 4.081 acre tract of land conveyed to Public Storage of Dallas, LTD. on October 3, 1979 and recorded in Volume 79196, Page 3188 of said Deed Records, said called 4.081 acre tract being all of Lot 3, of the Watson and Taylor Subdivision No. 2, an addition to the Town of Addison, as evidenced by the plat dated September 12, 1979 and recorded in Volume 79180, Page 0888 of said Deed Records;

THENCE, NORTH 00°06'08" EAST (called North 00°08'05" East), along the common West line of said called 1.103 acre tract and East line of said called 4.081 acre tract, a distance of 5.00 feet to a point for corner in said proposed South Right of Way line of Arapaho Road;

THENCE, SOUTH 89°58'49" EAST, departing said common line and along said proposed South Right of Way line of Arapaho Road, a distance of 162.76 feet to the **POINT OF BEGINNING**;

CONTAINING an area of 0.0187 acres or 814 square feet of land within the metes recited.

All bearings are referenced to the North Right of Way line of Centurion Way, called S 89°51'55" E, according to the final plat of Lot 3, Surveyor Addition, recorded in Vol. 77173, Page 135, Deed Records of Dallas County, Texas.

A plat of even survey date herewith accompanies this description.

I, Ayub R. Sandhu, a Registered Professional Land Surveyor, hereby certify that the legal description hereon and the accompanying plat represent an actual survey made on the ground under my supervision.

Ayub R. Sandhu, R.P.L.S.

Texas Registration No. 2910





OFFICE OF THE CITY MANAGER

(972) 450-7000 • FAX (972) 450-7043

5300 Belt Line Road

Post Office Box 9010 Addison, Texas 75001-9010

September 17, 2002

Mr. Barry R. Knight Winstead Sechrest & Minick, P.C. 5400 Renaissance Tower 1201 Elm Street Dallas, Texas 75270

RE:

276 Trust

Lot 6, Surveyor Addison to the Town of Addison

(4136 Centurion Way) (the "Property")

Recorded in Volume 79130, Page 2495 in the Deed Records of Dallas County

Dear Mr. Knight:

On August 27, 2002, the Town of Addison authorized condemnation of the above-referenced property. A copy of the condemnation resolution is enclosed. As stated in my May 9, 2002 letter to your client Gary Crouch, the Town's final offer for the purchase of the property is \$112,381.00. If Mr. Crouch wishes to accept this offer, please let us know by September 27, 2002. If we do not hear from you by September 27, 2002, we will proceed to file an action in condemnation.

Very truly yours,

Ron Whitehead

City Manager for the Town of Addison

Enclosure

c:

Gene Harris

Absolute Systems, Ltd.

Ken C. Dippel

Angela K. Washington

TOWN OF ADDISON, TEXAS

RESOLUTION NO. R02-078

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS DETERMINING THE NECESSITY OF ACQUIRING THE HEREINAFTER DESCRIBED REAL PROPERTY OWNED BY ABSOLUTE SYSTEMS, LTD., ET AL. AND AUTHORIZING ITS CONDEMNATION AND/OR APPROPRIATION FOR PUBLIC USE IN CONNECTION WITH THE REALIGNMENT AND EXTENSION OF ARAPAHO ROAD IN ADDISON, TEXAS.

BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. That for the purposes of this Resolution, the following definitions of terms shall apply:

"PROPERTY": The areas described in Exhibit "A" attached hereto and made a part hereof for all purposes.

"PROPERTY INTEREST": Fee simple title to the land described in Exhibit "A" attached hereto and incorporated herein.

"PROJECT": Realignment and extension of Arapaho Road, Addison, Texas.

"OFFER AMOUNT":Sixty Two Thousand Three Hundred and Eighty One and No/100 Dollars (\$62,381.00).

"OWNERS": Absolute Systems, Ltd.

Juvat, Inc., general partner of Absolute Systems, Ltd. Joyce Harris, individually and as officer of Juvat, Inc. Gene Harris, individually and as officer of Juvat, Inc.

276 Trust

. Gary B. Crouch, Trustee

"LIENHOLDER": Merrill Lynch Business Financial Services, Inc.

David L. Fair, Trustee

SECTION 2. That it is hereby determined that public convenience and necessity requires that the Town of Addison should acquire the PROPERTY INTEREST in, over, and across the PROPERTY necessary for the PROJECT.

SECTION 3. That the PROPERTY is hereby determined to be necessary for the PROJECT. That for the purpose of acquiring the PROPERTY INTEREST in.

over, and across the PROPERTY, the City Manager, or such employee as he may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY to be acquired and full damages allowable by law, which amount represents its fair cash market value.

SECTION 4. That the Town of Addison determines to appropriate the PROPERTY INTEREST in, over, and across the PROPERTY for the PROJECT under the laws of the State of Texas and the provisions of the Charter of the Town of Addison.

SECTION 5. That, in the event the OWNERS accept the OFFER AMOUNT as authorized herein, the City Finance Director be and is hereby authorized to draw a check in favor of the OWNERS named above, or the current owners of record, in the OFFER AMOUNT.

SECTION 6. That the City is to have possession of the PROPERTY on closing; and the City will pay any title expenses and closing costs; and the City will pay court costs as may be assessed by the Special Commissioners or the court.

SECTION 7. Should the employee designated to make the official offer report to the City Attorney that the OWNERS have refused to accept the OFFER AMOUNT as compensation for the hereinabove described taking from the OWNERS under the laws of eminent domain, which amount the City Council deems to be the fair cash market value and all just compensation, in compliance with the laws of the State of Texas, this will be evidence that the Town of Addison cannot agree with the OWNERS as to the damages legally allowable by law. In such case, the City Attorney is authorized and directed to file the necessary suit and take the necessary action for the prompt acquisition of the PROPERTY in condemnation or in any manner provided by law.

SECTION 8. That in the event the Special Commissioners in Condemnation appointed by the court return an award that is the same amount or less that the OFFER AMOUNT, the City Finance Director is hereby authorized to issue a check not to exceed the amount of the Commissioners' award made payable to the County Clerk of Dallas County to be deposited into the registry of the court to enable the City to take possession of the PROPERTY without further action of the City Council.

SECTION 9. That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, then the City Attorney is authorized and directed to join said parties as defendants in said condemnation suit.

SECTION 10. That this resolution shall take effect immediately from and after its passage, as in the Charter in such cases is made and provided.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, this the $27^{\rm th}$ day of August 2002.

Mayor

ATTEST:

City Secretary

APPROYED AS TO FORM:

Ken C. Dippel, City Attorney

"EXHIBIT A"

Parcel 8
Field Note Description
Arapaho Road Project
Town of Addison
Dallas County, Texas

BEING a description of a 0.6709 acre (29,223 square foot) tract of land situated in the W.H. Witt Survey, Abstract Number 1609, and the David Myers Survey, Abstract Number 923, Town of Addison, Dallas County, Texas, and being a portion of a called 2.5212 acre tract of land conveyed to J. H. Crouch, Jr. and Jo Doris Crouch on August 4, 1997 and recorded in Volume 97153, Page 03266 of the Deed Records of Dallas County, Texas, said called 2.5212 acre tract being all of "Lot 6, Surveyor Addition, Addison West Industrial Park", an addition to the Town of Addison, as evidenced by the plat dated March 29, 1979 and recorded in Volume 79130, Page 2495 of said Deed Records, said 0.6709 acre tract of land being more particularly described by metes and bounds as follows;

BEGINNING at a 1/2 inch iron rod found in the proposed North right of way line of Arapaho Road and the South right of way line of a 100 foot wide railroad right of way as conveyed to Dallas Area Rapid Transit Property Acquisition Corporation (herein referred to as DART) on December 27, 1990 and recorded in Volume 91008, Page 1390 of said Deed Records, said point being the common Northeast corners of said called 2.5212 acre tract and "Lot 6, Surveyor Addition, Addison West Industrial Park", and Northwest corner of a called 3.4654 acre tract of land, 25% interest conveyed by Epina Properties Limited to 15101 Midway Road Partners, LTD. on December 25, 1998 and recorded in Volume 98250, Page 02787 of said Deed Records, 75% interest conveyed by Lehndorff & Babson Property Fund to 15101 Midway Road Partners, LTD. on December 25, 1998 and recorded in Volume -98250, Page 02796 of said Deed Records, said called 3.4654 acre tract being all of the Surveyor Addition, Addison West Industrial Park, an addition to the Town of Addison, as evidenced by the plat dated October 24, 1978 and recorded in Volume 79029, Page 0984 of said Deed Records;

THENCE, SOUTH 00°07'27" WEST (called South 00°08'05" West), departing said lines and along the common East line of said called 2.5212 acre tract and West line of said called 3.4654 acre tract, a distance of 78.96 feet to a 5/8 inch iron rod set in the proposed South right of way line of Arapaho Road;

PARCEL 8 - ARAPAHO ROAD PROJECT

THENCE, NORTH 89°58'49" WEST, departing said common line and along the proposed South right of way line of Arapaho Road, a distance of 370.10 feet to an "X" in concrete set in the common-West line of said called 2.5212 acre tract and East line of a called 1.776 acre tract of land conveyed to Michael B. Schiff on August 31, 1982 and recorded in Volume 82172, Page 2888 of said Deed Records, said called 1.776 acre tract of land being all of Intervest Companies Addition, an addition to the Town of Addison, as evidenced by the plat dated October 29, 1982 and recorded in Volume 83017, Page 2268 of said Deed Records;

THENCE, NORTH 00°05'03" EAST (called North 00°08'05" East), departing said line and along the common West line of said called 2.5212 acre tract and East line of said called 1.776 acre tract, a distance of 78.95 feet to a 5/8 inch iron rod set in the proposed North right of way line of Arapaho Road Road and South right of way line of said DART railroad for the common Northwest corner of said called 2.5212 acre tract and Northeast corner of said called 1.776 acre tract, from said point a found 1/2 inch iron rod bears North 00°08'18" East, a distance of 0.24 feet;

THENCE, SOUTH 89°58'49" EAST (Called EAST), departing said common line and along the common North line of said called 2.5212 acre tract, proposed North right of way line of Arapaho Road, and South right of way line of said DART railroad, a distance of 370.15 feet (called 370.00 feet) to the **POINT OF BEGINNING**;

CONTAINING an area of 0.6709 acres or 29,223 square feet of land within the metes recited.

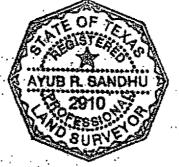
....

All bearings are referenced to the North Right of Way line of Centurion Way, called S 89°51'55" E, according to the final plat of Lot 3, Surveyor Addition, recorded in Vol. 77173, Page 135, Deed Records of Dallas County, Texas.

A plat of even survey date herewith accompanies this description.

I, Ayub R. Sandhu, a Registered Professional Land Surveyor, hereby certify that the legal description hereon and the accompanying plat represent an actual survey made on the ground under my supervision.

Ayub R. Sandhu, R.P.L.S. Texas Registration No. 2910







OFFICE OF THE CITY MANAGER

(972) 450-7000 • FAX (972) 450-7043

Post Office Box 9010 Addison, Texas 75001-9010

5300 Belt Line Road

September 17, 2002

Mr. Eddie Vassallo, P.C. Regency Plaza 3710 Rawlins, Suite 1200 Dallas, Texas 75219-4276

RE: 4125 Centurion Way, as Part of David Myers Survey, Abstract No. 923

Dear Mr. Vassallo:

On August 27, 2002, the Town of Addison authorized condemnation of the above-referenced property. A copy of the condemnation resolution is enclosed. As stated in my June 26 letter to Mr. Dennis Coe with 4125 Centurion Way, L.P., the Town's final offer for the purchase of the property is \$29,768.00. If your client wishes to accept this offer, please let us know by September 27, 2002. If we do not hear from you by September 27, 2002, we will proceed to file an action in condemnation.

Very truly yours,

Ron Whitehead

City Manager for the Town of Addison

Enclosure

c:

Ken C. Dippel Angela K. Washington

TOWN OF ADDISON, TEXAS

RESOLUTION NO. R02-077

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS DETERMINING THE NECESSITY OF ACQUIRING THE HEREINAFTER DESCRIBED REAL PROPERTY OWNED BY 4125 CENTURION WAY, L.P., ET AL. AND AUTHORIZING ITS CONDEMNATION AND/OR APPROPRIATION FOR PUBLIC USE IN CONNECTION WITH THE REALIGNMENT AND EXTENSION OF ARAPAHO ROAD IN ADDISON, TEXAS.

BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. That for the purposes of this Resolution, the following definitions of terms shall apply:

"PROPERTY": The areas described in Exhibit "A" and Exhibit "B" attached hereto and made a part hereof for all purposes.

"PROPERTY INTERESTS": Fee simple title to the land described in Exhibit "A" attached hereto and incorporated herein. Temporary construction easement in, over and across the land described in Exhibit "B" attached hereto and incorporated herein.

"PROJECT": Realignment and extension of Arapaho Road, Addison, Texas.

"OFFER AMOUNT": Twenty Nine Thousand Seven Hundred and Sixty Eight and No/100 Dollars (\$29,768.00).

"OWNERS": 4125 Centurion Way, L.P.

Williams Winslow, L.L.C., general partner of 4125 Centurion

Way, L.P.

John A. Winslow, individually, and as Member of Williams

Winslow, LL.C.

"TENANTS/OWNERS": Harbour Group, Inc.

"LIENHOLDERS": Comerica Bank-Texas

John M. Killian, Trustee C. E. Seal, II, Trustee SECTION 2. That it is hereby determined that public convenience and necessity requires that the Town of Addison should acquire the PROPERTY INTERESTS in, over, and across the PROPERTY necessary for the PROJECT.

SECTION 3. That the PROPERTY is hereby determined to be necessary for the PROJECT. That for the purpose of acquiring the PROPERTY INTERESTS in, over, and across the PROPERTY, the City Manager, or such employee as he may designate, is hereby authorized and directed to offer the OFFER AMOUNT as payment for the PROPERTY to be acquired and full damages allowable by law, which amount represents its fair cash market value.

SECTION 4. That the Town of Addison determines to appropriate the PROPERTY INTERESTS in, over, and across the PROPERTY for the PROJECT under the laws of the State of Texas and the provisions of the Charter of the Town of Addison.

SECTION 5. That, in the event the OWNERS accept the OFFER AMOUNT as authorized herein, the City Finance Director be and is hereby authorized to draw a check in favor of the OWNERS named above, or the current owners of record, in the OFFER AMOUNT.

SECTION 6. That the City is to have possession of the PROPERTY on closing; and the City will pay any title expenses and closing costs; and the City will pay court costs as may be assessed by the Special Commissioners or the court.

SECTION 7. Should the employee designated to make the official offer report to the City Attorney that the OWNERS have refused to accept the OFFER AMOUNT as compensation for the hereinabove described taking from the OWNERS under the laws of eminent domain, which amount the City Council deems to be the fair cash market value and all just compensation, in compliance with the laws of the State of Texas, this will be evidence that the Town of Addison cannot agree with the OWNERS as to the damages legally allowable by law. In such case, the City Attorney is authorized and directed to file the necessary suit and take the necessary action for the prompt acquisition of the PROPERTY in condemnation or in any manner provided by law.

SECTION 8. That in the event the Special Commissioners in Condemnation appointed by the court return an award that is the same amount or less that the OFFER AMOUNT, the City Finance Director is hereby authorized to issue a check not to exceed the amount of the Commissioners' award made payable to the County Clerk of Dallas County to be deposited into the registry of the court to enable the City to take possession of the PROPERTY without further action of the City Council.

SECTION 9. That in the event it is subsequently determined that additional persons other than those named herein have an interest in the PROPERTY, then the City Attorney is authorized and directed to join said parties as defendants in said condemnation suit.

SECTION 10. That this resolution shall take effect immediately from and after its passage, as in the Charter in such cases is made and provided.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, this the 27th day of August 2002.

Mayor

Town of Addison, Texas

ATTEST:

Carmen Moran, City Secretary

APPROVED AS TO FORM:

Ken C. Dippel, City Attorney

Parcel 10
Field Note Description
Arapaho Road Project
Town of Addison
Dallas County, Texas

BEING a description of a 0.3664 acre (15,960 square foot) tract of land situated in the David Myers Survey, Abstract Number 923, Town of Addison, Dallas County, Texas, and being a portion of a called 1.3713 acre tract of land (designated "Tract 1") conveyed to 4125 Centurion Way, L.P. on June 18, 1998 and recorded in Volume 98121, Page 00188 of the Deed Records of Dallas County, Texas, said 0.3664 acre tract of land being more particularly described by metes and bounds as follows;

BEGINNING at an "X" in concrete set in the proposed North right of way line of Arapaho Road and the South right of way line of a 100 foot wide railroad right of way as conveyed to Dallas Area Rapid Transit Property Acquisition Corporation (herein referred to as DART) on December 27, 1990 and recorded in Volume 91008, Page 1390 of said Deed Records, said point being the common Northeast corner of said called 1.3713 acre tract and Northwest corner of a called 1.776 acre tract of land conveyed to Michael B. Schiff on August 31, 1982 and recorded in Volume 82172, Page 2888 of said Deed Records, said called 1.776 acre tract of land being all of Intervest Companies Addition, an addition to the Town of Addison, as evidenced by the plat dated October 29, 1982 and recorded in Volume 83017, Page 2268 of said Deed Records;

THENCE, SOUTH 00°08'05" WEST, departing said lines and along the common East line of said called 1.3713 acre tract and West line of said called 1.776 acre tract, a distance of 78.95 feet to a 5/8 inch iron rod set in the proposed South right of way line of Arapaho Road;

THENCE, NORTH 89°58'49" WEST, departing said common line and along the proposed South right of way line of Arapaho Road, a distance of 202.14 feet to a 5/8 inch iron rod set in the common West line of said called 1.3713 acre tract and East line of a called 1.103 acre tract of land conveyed to Bullough/Lykos Office Building No. 1, L.P. on June 11, 1998 and recorded in Volume 98115, Page 03999 of said Deed Records, said called 1.103 acre tract being all of "Lot 5, Surveyor Addition, Addison West Industrial Park", an addition to the Town of Addison, as evidenced by the plat dated February 7, 1979 and recorded in Volume 79053, Page 0620 of said Deed Records;

PARCEL 10 - ARAPAHO ROAD PROJECT

THENCE, NORTH 00°08'05" EAST, departing said line and along the common West line of said called 1.3713 acre tract and East line of said called 1.103 acre tract, a distance of 78.95 feet to a 5/8 inch iron rod set in the proposed North right of way line of Arapaho Road and the South right of way line of said DART railroad, said point being the common Northwest corner of said called 1.3713 acre tract and Northeast corner of said called 1.103 acre tract, from said point a 1/2 inch iron rod found bears South 45°10'16" East a distance of 0.38 feet

THENCE, SOUTH 89°58'49" EAST (called EAST), departing said common line and along the common North line of said called 1.3713 acre tract, proposed North right of way line of Arapaho Road, and South right of way of said DART railroad, a distance of 202.14 feet (called 202.11 feet) to the **POINT OF BEGINNING**;

CONTAINING an area of 0.3664 acres or 15,960 square feet of land within the metes recited.

All bearings are referenced to the North Right of Way line of Centurion Way, called S 89°51'55" E, according to the final plat of Lot 3, Surveyor Addition, recorded in Vol. 77173, Page 135, Deed Records of Dallas County, Texas.

A plat of even survey date herewith accompanies this description.

I, Ayub R. Sandhu, a Registered Professional Land Surveyor, hereby certify that the legal description hereon and the accompanying plat represent an actual survey made on the ground under my supervision.

Ayub R. Sandhu, R.P.L.S. Texas Registration No. 2910

AYUB R. SANDA

"EXHIBIT B"

Parcel 10-TE
Field Note Description
Arapaho Road Project
Town of Addison
Dallas County, Texas

BEING a description of a 0.0232 acre (1,011 square foot) tract of land situated in the David Myers Survey, Abstract Number 923, Town of Addison, Dallas County, Texas, and being a portion of a called 1.3713 acre tract of land (designated "Tract 1") conveyed to 4125 Centurion Way, L.P. on June 18, 1998 and recorded in Volume 98121, Page 00188 of the Deed Records of Dallas County, Texas, said 0.0232 acre tract of land being more particularly described by metes and bounds as follows;

COMMENCING at the common Northeast corner of said called 1.3713 acre tract and Northwest corner of a called 1.776 acre tract of land conveyed to Michael B. Schiff on August 31, 1982 and recorded in Volume 82172, Page 2888 of said Deed Records, said called 1.776 acre tract of land being all of Intervest Companies Addition, an addition to the Town of Addison, as evidenced by the plat dated October 29, 1982 and recorded in Volume 83017, Page 2268 of said Deed Records said corner being in the proposed North right of way line of Arapaho Road and the South right of way line of a 100 foot wide railroad right of way as conveyed to Dallas Area Rapid Transit Property Acquisition Corporation (herein referred to as DART) on December 27, 1990 and recorded in Volume 91008, Page 1390 of said Deed Records;

THENCE, SOUTH 00°08'05" WEST, departing said lines and along the common East line of said called 1.3713 acre tract and West line of said called 1.776 acre tract, a distance of 78.95 feet to a point in the proposed South right of way line of Arapaho Road for the Northeast corner and POINT OF BEGINNING of the herein described tract;

THENCE, SOUTH 00°08'05" WEST, continuing along said common line, a distance of 5.00 feet to a point for corner;

THENCE, NORTH 89°58'49" WEST, departing said common line, a distance of 202.14 feet to a point in the common West line of said called 1.3713 acre tract and East line of a called 1.103 acre tract of land conveyed to Bullough/Lykos Office Building No. 1, L.P. on June 11, 1998 and recorded in Volume 98115, Page 03999 of said Deed Records, said called 1.103 acre tract being all of "Lot 5, Surveyor Addition, Addison West Industrial Park", an addition to the Town of Addison, as evidenced by the plat dated February 7, 1979 and recorded in Volume 79053, Page 0620 of said Deed Records;

THENCE, NORTH 00°08'05" EAST, departing said line and along the common West line of said called 1.3713 acre tract and East line of said called 1.103 acre tract, a distance of 5.00 feet to a point in said proposed South right of way line of Arapaho Road;

THENCE, SOUTH 89°58'49" EAST (called EAST), departing said common line and along the said proposed South right of way line of Arapaho Road, a distance of 202.14 feet (called 202.11 feet) to the POINT OF BEGINNING;

CONTAINING an area of 0.0232 acres or 1,011 square feet of land within the metes recited.

All bearings are referenced to the North Right of Way line of Centurion Way, called S 89°51'55" E, according to the final plat of Lot 3, Surveyor Addition, recorded in Vol. 77173, Page 135, Deed Records of Dallas County, Texas.

A plat of even survey date herewith accompanies this description.

I, Ayub R. Sandhu, a Registered Professional Land Surveyor, hereby certify that the legal description hereon and the accompanying plat represent an actual survey made on the ground under my supervision.

Ayub R. Sandhu, R.P.L.S.

Texas Registration No. 2910

MEMORANDUM

TO: Mike Murphy, Director

Department of Public Works

FROM: Angela K. Washington

RE: Arapaho and Addison Road Projects

DATE: September 5, 2002

We discussed this morning altering the process for acquiring the various tracts involved in the Arapaho and Addison Road Projects. To confirm, the proposed process is as follows:

- If a counter-offer is received for a parcel, staff would examine the offer to determine its acceptability and feasibility.
- If the offer is not acceptable or is not feasible, staff would then negotiate with the property owner and attempt to reach an agreement that is acceptable.
- If an agreement cannot be reached, our office would prepare a condemnation resolution to be scheduled for Council consideration.
- If an agreement is reached, our office will prepare a contract setting forth the terms of the agreement.
- The contract would then be forwarded to the owner for review with a statement informing the owner that the agreement is subject to Council approval.
- If the owner disagrees with any wording contained in the contract, our office would discuss with staff, or the owner if necessary, wording changes that are acceptable to both parties.
- Once the owner signs off on the contract, staff would schedule the agreement for Council consideration.
- If the Council makes changes to the terms of the contract, the contract would be amended as directed by Council and presented to the owner for acceptance or rejection.

If you have any additional thoughts or comments, please let us know.

c: Steve Chutchian Ken Dippel John Hill Arapaho Phose I Familing: 9-5-02

Arapaho CAP 450, 105.00

4, 162, 497.43

Arapaho LAP/cms 2, 497, 610.57

7, 110, 213.00

Breakdown:

appraisal Tees audit / Regal Engineering Land Purchase Construction 10, 210.00 51, 512.94 361, 631.85 2,507, 553.37 4,179, 304.84 7, 110, 213.00

Arapaho Phace II/III Preliminary Engineering
Addison Rd to Marsh Lane
Streets Capital Projects Find \$298, 092.84

ARAPAHO ROAD, MARSH LANE TO ADDISON ROAD					
Project Burkert	D	02000			
Project Budget	Project #				
Description	Amount				
Bond Funds	\$20,500,000				
Bond Fund Interest (proportional Share)		To Be Determined			
Phase II, Marsh to Surveyor					
County funds	\$1,432,812				
HNTB initial fee	\$294,124				
HNTB Urban Design (streetscape)	\$29,000				
Supplementary Agreement #1	\$1,556				
Supplementary agreement #2	\$2,845				
Supplementary agreement #3	\$19,959				
Nile Properties, Ltd. Parcel #15	\$1,367,000	***************************************			
TXU Electric Parcel #16		Dedicated			
Lincoln Trust Company Parcel #17	\$35,019				
Aetna Life Insurance Company Parcel #18	\$66,619				
Racetrac Petroleum Parcel #19	\$0				
AMB Property II, L.P. Parcel #20	\$25,978				
ARS	\$17,173				
construction cost	\$2,200,000				
Evaluation Associates	\$8,500				
Pat Haggerty	\$2,125				
Hipes & Associates	\$10,070				
Audit and Legal Fees	\$100,622				
Niles Property Environmental report	\$2,300				
Niles Property Demolition	\$51,000				
Sub Total					
Sub Total	\$4,233,889				
Phase III, Surveyor to Addison Road					
ROW analysis	\$44,977	Sign			
HNTB Design Fee	\$813,785				
Evaluation Associates	\$39,000				
HNTB Urban Design (streetscape)	\$51,000				
Metro Brick Parcel #1	-	appraised value			
Joe's Auto Body Parcel #2		appraised value			
Union Pacific Railway Company Parcel #3	\$1,204,217				
The City of Dallas Parcel #4	\$2,818	Estimated Value			
Heritage Inn Parcel #5	· · · · · · · · · · · · · · · · · · ·				
Motel 6 Parcel #6	\$6,500,000	Estimate by Ken Dippel			
15101 Midway Road Partners, Ltd Parcel #7	7 40,000,000	For cost of remaining			
J.H. Crouch Jr. and Doris Crouch Parcel #8		ROW and attorneys fees			
Michael Schiff Parcel #9	<u> </u>	TOTA MINI ARTONOJO 1003			
4125 Centurion Way Parcel #10					
Bullough/Lykos Office Building No. 1 Parcel #11					
	<i></i>	***************************************			
Public Storage of Dallas, Ltd. Parcel #12	<u>/ </u>				
Public Storage of Dallas, Ltd. Parcel #13	<u> </u>				
Audit and Legal Fees	£44 EBO 000	Entimoto			
Road way construction	\$11,500,000				
Bridge Construction	\$5,000,000	Esumate			

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Bridge Design	\$500,000	Estimate
Streetscape construction	\$1,200,000	Estimate
Bridge Design Stipend	\$30,000	
Wye Track Crossing Fee	\$2,500	
Environmental report for Rail Road	\$1,281	
Hipes & Associates	\$4,400	
Pat Haggerty	\$1,785	
Evaluation Associates	\$17,800	
Bridge Pre-Submittal meeting @ Stone Cottage	\$706	
Total Expenses	\$31,148,158	
* Dart Lap	\$3,000,000	
Morris Road available funds	\$300,000	
Total funds remaining	\$5,915,346	
*Dart Lap funds 2001-2003		

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Project Budget	Project #	83;
Description	Amount	1
Bond Funds		2000 bonds
Bond Fund Interest (proportional Share)	<u> </u>	To Be Determined
<u> </u>		
Phase II, Marsh to Surveyor		
County funds	\$1,432,812	
HNTB initial fee	\$294,124	I
HNTB Urban Design (streetscape)	\$29,000	
Supplementary Agreement #1	\$1,556	
Supplementary agreement #2	\$2,845	
Supplementary agreement #3	\$19,959	
Nile Properties, Ltd. Parcel #15	\$1,367,000	
TXU Electric Parcel #16	\$0	Dedicated
Lincoln Trust Company Parcel #17	\$35,019	appraised value
Aetna Life Insurance Company Parcel #18	\$66,619	appraised value
Racetrac Petroleum Parcel #19	\$0	
AMB Property II, L.P. Parcel #20	\$25,978	
ARS	\$17,173	
construction cost	\$2,200,000	
Evaluation Associates	\$8,500	
Audit and Legal Fees	\$100,622	
Niles Property Environmental report	\$2,300	
Niles Property Demolition	\$51,000	
Sub Total	\$4,221,694	
Phase III, Surveyor to Addison Road		
ROW analysis	\$44,977	
HNTB Design Fee	\$813,785	
Evaluation Associates	\$39,000	
HNTB Urban Design (streetscape)	\$51,000	
Metro Brick Parcel #1	\$102,061	appraised value
Joe's Auto Body Parcel #2	\$173,202	appraised value
Union Pacific Railway Company Parcel #3	\$ 1,20 4,217	
The City of Dallas Parcel #4	\$2,818	
Heritage Inn Parcel #5	\$140,700	
Motel 6 Parcel #6	\$33 <u>2,795</u>	appraised value
15101 Midway Road Partners, Ltd Parcel #7	\$66,446.00	
J.H. Crouch Jr. and Doris Crouch Parcel #8 (🎎	\$62,381.00	appraised value
Michael Schiff Parcel #9	\$58,921	appraised value
4125 Centurion Way Parcel #10	\$29,768	appraised value
Bullough/Lykos Office Building No. 1 Parcel #11	\$29,357	appraised value
Public Storage of Dallas, Ltd. Parcel #12	\$1,064,872	appraised value
Public Storage of Dallas, Ltd. Parcel #13	included in #12	Estimated Value
Audit and Legal Fees		
Road way construction	\$11,200,000	Estimate
Bridge Construction	\$5,000,000	
Bridge Design	\$500,000	
Streetscape construction	\$1,200,000	
Bridge Design Stipend	\$30,000	
Wye Track Crossing Fee	\$2,500	
Environmental report for Rail Road	\$1,281	***************************************
Hipes & Associates	\$4,400	
Pat Haggerty	\$1,785	
Evaluation Associates	\$1,7800 \$17,800	
Bridge Pre-Submittal meeting @ Stone Cottage	\$706	
Total Expenses	/ \$26,396,466	
I Otal Expenses	, Amaiana'i	

21.5 24.4

* Dart Lap	\$3,000,000	
Morris Road available funds	\$300,000	-
Total funds remaining	\$1,163,654	
*Dart Lap funds 2001-2003		

1230 × 1100 × 10

HIPES & ASSOCIATES

REAL ESTATE
APPRAISERS/CONSULTANTS

OFFICE ADDRESS: 7537 RAMBLER RD #260 LOCK BOX 25 DALLAS, TEXAS, 73731

MAILING ADDRESS: P.O. BOX 600142 DALLAS TEXAS XXXXXXX 214-739-5941

August 30, 2002

Mr. Steven Z. Chutchian, P.E. TOWN OF ADDISON 16801 Westgrove Dr. P.O. Box 9010 Addison, Texas 750-9010

Re: 15211 Addison Road J.V. - Response

Dear Steven:

I have reviewed the documents you forwarded to me on 8/29/02 and have formulated the following responses:

Century 21 - Judge Fite Company letter

The above referenced letter, without a sale-contract available to evaluate it's "cash equivalency", represents a shopping list of "what if", and is of no particular value. However, it represents a lower value than the subject property appraisal; \$775,000 (theirs) vs. \$848,389 (ours) for the whole property. Apparently, the potential purchaser alluded to in the letter believed that the subject property was worth less than we do. Due to economic events of the previous 18 months and the uncertainty created via the September 11, 2001 incident, property values for this class of commercial property have generally remained stagnant in this market area.

Joint Venture Rent document

Again, our figures are higher than their figures. There gross rent figures (before expenses) are as follows:

Gross Potential Rent (monthly)	\$9,662
Less: Addison Sambuca Ground Lease	<u>-1,250</u>
Gross Lease - Improvements	\$8,412
x12 Months	x12_
Potential Gross Annual Rent - Improvements	\$100.944

Our potential gross annual rent figures are higher than his, without considering his ground lease to himself. Again, the Joint Venture data is incomplete because it does not recognize any expenses associated with market leases; i.e., taxes, vacancy, administrative expense, insurance, maintenance, lease commissions, etc. His figures assume that (1) there is no risk in leasing the property, and (2) athat there is no expense associated with maintaining leases.

The J.V. data does not recognize that (1) one of the building is on existing Arapaho Road R.O.W. and can be required to be removed at any time, and (2) that he is leasing his property to himself (Sambuca storage).

Jim Pierce

From:

Jim Pierce

Sent:

Wednesday, July 10, 2002 5:08 PM

To:

Brian Marshall

Subject:

FW: Signals at Arapaho & Dallas Parkway

Mile sums for for for E- Mail

(M E- Mail) Brian: FYI. It's been a while since I looked at this E mail. This sums up the current status. Please let me know if you have any questions. Jim.

----Original Message----

From: Steve Cherryholmes [mailto:scherry@pbw.ci.dallas.tx.us]

Sent: Friday, June 14, 2002 4:32 PM

To: jpierce@ci.addison.tx.us

Cc: bshipp@ci.addison.tx.us; mmurphy@ci.addison.tx.us; DDybala@pbw.ci.dallas.tx.us; JAntebi@pbw.ci.dallas.tx.us

Subject: Re: Signals at Arapaho & Dallas Parkway

Jim,

We have been forced to cancel the upgrade of this traffic signal due to 1) our signal construction contractor's inability to perform work in a timely manner, 2) the numerous utility conflicts that have prevented us from finding locations to install the signal pole foundations and 3) our current budget shortfall. Therefore, a meeting in the field, at this point, is not necessary.

While we realize the existing signal hardware has a poor appearance, this upgrade would have been a cosmetic improvement only (it would not enhance the operation of the signal).

If voters approve the next bond program, and money to upgrade traffic signals is included in that program, then we could obtain funding from that source. However, any such funds would not be available until 2003, at the earliest.

If the City of Addison would like to participate in funding the upgrade, we would most certainly entertain such a proposal.

In any case, once funding is secured, we will be in touch with you and the North Texas Turnpike Authority seeking assistance in locating the signal pole foundations.

>>> <jpierce@ci.addison.tx.us> 06/14 3:14 PM >>>

Steve: I have seen some of the e mails regarding the above and the difficulty finding a spot for some of the signal poles. I would like to meet with you or someone from your staff in the field that is familiar with

the problem so I can have a better understanding. I will be out next

but would like to schedule something after that. Please e mail me your phone number so I can call and set something up.

Jim Pierce, P.E. Assistant Public Works Director РО Вож 9010 Addison, TX 75001-9010 972-450-2879

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4402

First American Title Insurance Company

Nº 054982 O

OWNER POLICY OF TITLE INSURANCE

Issued by

FIRST AMERICAN TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

- 1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
- 2. Any defect in or lien or encumbrance on the title;
- 3. Any statutory or constitutional mechanic's, contractor's, or materialman's lien for labor or material having its inception on or before Date of Policy;
- 4. Lack of a right of access to and from the land;
- 5. Lack of good and indefeasible title.

The Company also will pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS HEREOF, the FIRST AMERICAN TITLE INSURANCE COMPANY has caused this policy to be executed by its President under the seal of the Company, but this policy is to be valid only when it bears an authorized countersignature, as of the date set forth in Schedule A.

SEPTEMBER 24 TO SEPTEMBER 24 T

ATTEST

Mark & arresey.

First American Title Insurance Company

BY Jary of Germot PRESIDENT

FORM TI-CA: OWNER POLICY OF TITLE INSURANCE (EFFECTIVE 4/4/02)

OWNER POLICY:

1 POLICY NUMBER 2 PROPERTY TYPE 4 POLICY AMOUNT S PREMIUM E RATE CODE

EFFECTIVE CATE d SURVEY AMENDMENT 9 AUDITIONAL CHAINS

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FIRST AMERICAN TITLE INSURANCE COMPANY

OWNER POLICY OF TITLE INSURANCE

POLICY NUMBER

054982 0

GF NO. OR FILE NO.

DATE OF POLICY

AMOUNT OF INSURANCE

112,000.00

ON THIS SCHEDULE MUST AGREE WITH THE PRE-PRINTED NUMBER ON THE COVER SHEET.

THE POLICY NUMBER SHOWN

Schedule A

1. Name of insured:

THE TOWN OF ADDISON

2. The estate or interest in the land that is covered by this policy is:

02R14040 SJ6 11/21/2002 at 02:57 PM \$

FEE SIMPLE

3. Title to the estate or interest in the land is insured as vested in:

THE TOWN OF ADDISON

4. The land referred to in this policy is described as follows:

Being an 0.4737 acre tract of land in the DAVID MYER SURVEY, ABSTRACT No. 923, the Town of Addison, the City of Dallas and being more particularly described on Exhibit A attached hereto and made a part hereof for all purposes.

REPUBLIC TITLE OF TEXAS, INC.

Countersigned at

:xas form | 1 (Rev. 1/1/93)

DALLAS, TEXAS

REPUBLIC TITLE OF TEXAS, INC.

JANINE BARBER, SENIOR VICE PRESIDENT

Authorized Countersignature

EXHIBIT A

BEING a description of a 0.4737 acre (20,636 square foot) tract of land situated in the David Myers Survey, Abstract Number 923, Town of Addison, Dallas County, Texas, and being a portion of a called 1.776 acre tract of land conveyed to Michael B. Schiff on August 31, 1982 and recorded in Volume 82172, Page 2888 of the Deed Records of Dallas County, Texas, said called 1.776 acre tract of land being all of Intervest Companies Addition, an addition to the Town of Addison, as evidenced by the plat dated October 29, 1982 and recorded in Volume 83017, Page 2268 of said Deed Records, said 0.4737 acre tract of land being more particularly described by metes and bounds as follows;

BEGINNING at a 5/8 inch iron rod set in the proposed North right of way line of Arapaho Road and the South right of way line of a 100 foot wide railroad right of way as conveyed to Dallas Area Rapid Transit Property Acquisition Corporation (herein referred to as DART) on December 27, 1990 and recorded in Volume 91008, Page 1390 of said Deed Records, said point being the common Northeast corners of said called 1.776 acre tract and said Intervest Companies Addition and Northwest corner of a called 2.5212 acre tract of land conveyed to J. H. Crouch, Jr. and Jo Doris Crouch on August 4, 1997 and recorded in Volume 97153, Page 03266 of said Deed Records, said called 2.5212 acre, tract being all of "Lot 6, Surveyor Addition, Addison West Industrial Park", an addition to the Town of Addison, as evidenced by the plat dated March 29, 1979 and recorded in Volume 79130, Page 2495 of said Deed Records, from said point a found 1/2 inch iron rod bears North 00°08'18" East, a distance of 0.24 feet;

THENCE, SOUTH 00°05'03" WEST (called South 00°08'05" West), departing said lines and along the common East line of said called 1.776 acre tract and West line of said called 2.5212 acre tract, a distance of 78.95 feet to an "X" in concrete set in the proposed South right of way line of Arapaho Road;

THENCE, NORTH 89°58'49" WEST, departing said common line and along the proposed South right of way line of Arapaho Road, a distance of 261.40 feet to a 5/8 inch iron rod set in the common West line of said called 1.776 acre tract and East line of a called 1.3713 acre tract of land (designated "Tract 1") conveyed to 4125 Centurion Way, L.P. on June 18, 1998 and recorded in Volume 98121, Page 00188 of said Deed Records;

THENCE, NORTH 00°08'05" EAST, departing said line and along said common West line of said called 1.776 acre tract and East line of said called 1.3713 acre tract, a distance of 78.95 feet to an "X" in concrete set in the proposed North right of way line of Arapaho Road and South right of way line of said DART railroad for the common Northwest corner of said called 1.776 acre tract and Northeast corner of said called 1.3713 acre tract;

THENCE, SOUTH 89°58'49" EAST (called EAST), departing said common line and along the common North line of said called 1.776 acre tract, proposed North right of way line of Arapaho Road, and South right of way line of said DART railroad, a distance of 261.03 feet to the POLNT OF BEGINNING:

CONTAINING an area of 0.4737 acres or 20,636 square feet of land within the metes recited.

Exhibit A

GF-Number 02R14040

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

Flast AMERICAN TITLE INSURANCE COMPANY

OWNER POLICY OF TITLE INSURANCE

GF NO. OR FILE NO. 02R14040 SJ6 DATE OF POLICY 11/21/2002 THE POLICY NUMBER SHOWN ON THIS SCHEDULE MUST AGREE MITH THE PREPRINTED KUMBER ON THE COVER SHEET

>

POLICY NUMBER 054982 O

Schedule B EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses) that arise by reason of the terms and conditions of the leases or easements insured, if any, shown in Schedule A and the following matters:

- 1. [Intentionally Omitted]
- 2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
- 3. Homestead or community property or survivorship rights, if any, of any spouse of any insured.
- 4. Any titles or rights asserted by anyone, including but not limited to, persons, the public, corporations, governments or other entities:
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the right of access to that area or easement along and across that area.
- 5. Standby fees, taxes and assessments by any taxing authority for the year 2003, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year.
- 6. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
- a. Easement granted by W. Y. Yeary to the City of Dallas, filed 11/10/1959, recorded in Volume 5225, Page 402, Deed Records of Dallas County, Texas.
- b. Easement granted by Clarice Nichols and H. H. Nichols to the City of Dallas, filed 11/10/1959, recorded in Volume 5225, Page 405, Deed Records of Dallas County, Texas. And as shown on plat recorded in Volume 83017, Page 2268, Plat Records, Dallas County, Texas.
- c. Easement granted by W. H. Yeary to the City of Addison, Texas, filed 01/12/1967, recorded in Volume 67009, Page 24, Deed Records of Dallas County, Texas.
- d. Easement granted by Suveyor Resources, Inc. and Surveyor Industrial Inc. to Texas Power & Light Company, filed 01/09/1973, recorded in Volume 73054, Page 2653, Deed Records of Dallas County, Texas. And as shown on plat recorded in Volume 83017, Page 2268, Map Records, Dallas County, Texas.
- e. 6' City of Addison Sanitary Sewer Easement, 50' drainage channel easement as shown on the plat recorded in Volume 8307, Page 2268, Map Records of Dallas County, Texas.

SCHEDULE B Page 2

- f. Terms and provisions of that certain Reciprocal Easement Agreement filed 03/26/1981, recorded in Volume 81059, Page 20, Deed Records, Dallas County, Texas. And as shown on plat recorded in Volume 83017, Page 2268, Map Records, Dallas County, Texas.
- g. Section 14 of the Conditions and Stipulations of this policy is hereby deleted.

FXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the Company will not pay loss or damage, costs, attor.

arise by reason of:

- 1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- 2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking that has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
- Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
- (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy:
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy;
- (e) resulting in loss or damage that would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
- 4. The refusal of any person to purchase, lease or lead money on the estate or interest covered hereby in the land described in Schedule A because of unmarketability of the title.
- 5. Any claim, which arises out of the transaction vesting in the person named in paragraph 3 of Schedule A the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or other state or federal creditors' rights laws that is based on either (i) the transaction creating the estate or interest Insured by this Policy being deemed a fraudulent conveyance or fraudulent transfer or a voidable distribution or voidable dividend or (ii) the subordination or recharacterization of the estate or interest insured by this Policy as a result of the application of the doctrine of equitable subordination or (iii) the transaction creating the estate or interest insured by this Policy being deemed a preferential transfer except where the preferential transfer results from the failure of the Company or its issuing agent to timely file for record the instrument of transfer to the insured after delivery or the failure of such recordation to impart notice to a purchaser for value or a judgment- or lien creditor.

CONDITIONS AND STIPULATIONS

DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate, partnership or fiduciary successors, and specifically, without limitation, the following:
- (i) the successors in interest to a corporation, limited liability company or limited liability partnership resulting from merger or consolidation or conversion or the distribution of the assets of the corporation or limited liability company or limited liability partnership upon partial or complete liquidation;
- (ii) the successors in interest to a general or limited partnership or limited liability company or limited liability partnership which dissolves but does not terminate;
- (iii) the successors in interest to a general or limited partnership resulting from the distribution of the assets of the general or limited partnership upon partial or complete liquidation:
- (iv) the successors in interest to a joint venture resulting from the distribution of the assets of the joint venture upon partial or complete liquidation;
- (v) the successor or substitute trustee(s) of a trustee named in a written trust instrument; or
- (vi) the successors in interest to a trustee or trust resulting from the distribution of all or part of the assets of the trust to the beneficiaries thereof.
 - (b) "insured claimant": an insured claiming loss or damage.
- (c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice that may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

- (d) "land": the land described or referred to in Schedule A, and improvements affixed thereto that by law? "tute real property. The term "land" does not include any property beyond the line. "the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.
- (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" also shall include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.
- (g) "access": legal right of access to the land and not the physical condition of access. The coverage provided as to access does not assure the adequacy of access for the use intended.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, or (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest that is adverse to the title to the estate or interest, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

When, after the date of the policy, the insured notifies the Company as required herein of a lien, encumbrance, adverse claim or other defect in title to the estate or interest in the land insured by this policy that is not excluded or excepted from the coverage of this policy, the Company shall promptly investigate the charge to determine whether the lien, encumbrance, adverse claim or defect is valid and not barred by law or statute. The Company shall notify the insured in writing, within a reasonable time, of its determination as to the validity or invalidity of the insured's claim or charge under the policy. If the Company concludes that the lien, encumbrance, adverse claim or defect is not covered by this policy, or was otherwise addressed in the closing of the transaction in connection with which this policy was issued, the Company shall specifically advise the insured of the reasons for its determination. If the Company concludes that the lien, encumbrance, adverse claim or defect is valid, the Company shall take one of the following actions: (i) institute the necessary proceedings to clear the lien, encumbrance, adverse claim or defect from the title to the estate as insured; (ii) indemnify the insured as provided in this policy; (iii) upon payment of appropriate premium and charges therefor, issue to the insured claimant or to a subsequent owner, mortgagee or holder of the estate or interest in the land insured by this policy, a policy of title insurance without exception for the lien, encumbrance, adverse claim or defect, said policy to be in an amount equal to the current value of the property or, if a mortgages policy, the amount of the loan; (iv) indemnify another title insurance company in connection with its issuance of a policy(ies) of title insurance without exception for the lien, encumbrance, adverse claim or defect; (v) secure a release or other document discharging the lien, encumbrance, adverse claim or defect; or (vi) undertake a combination of (i) through

DEFENSE AND PROSECUTION OF ACTIONS: DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action that allege matters not insured against by this policy.

- (b) The Company shall have the right, at its own st, to institute and prosecute any action or proceeding or to do any other act that it is pinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.
- (c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.
- (d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other tawful act that in the opinion of the Company may be necessary or desirable to establish the tide to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 91 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured cleimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that

OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS: TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

- (b) To Pey or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.
- (i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized

by the Company up to the f f payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

- (a) The liability of the Company under this policy shall not exceed the least of:
 - (i) the Amount of Insurance stated in Schedule A; or
- (ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy at the date the insured claimant is required to furnish to Company a proof of loss or damage in accordance with Section 5 of these Conditions and Stipulations.
- (b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is tess, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:
- (i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rate in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or
- (ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Supulations.

8. APPORTIONMENT.

If the land described in Schedule A consists of two or more parcels that are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

- (a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the tack of a right of access to or from the land, all as insured, or takes action in accordance with Section 3 or Section 6, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage eaused thereby.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.
- (c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

REDUCTION OF INSURANCE: REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

II. LIABILITY NONCUMULATIVE.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

- (a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.
- (b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies that the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion that the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-Insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that provide for subrogation rights by reason of this policy.

4 ARBITRATION.

Unless prohibited by applicable law or unless this arbitration section is deleted by specific provision in Schedule B of this policy, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules or the American Arbitration Association. Arbitrable matters may include, but are not limited to, any

ISSUING AGENT

controversy or claim between the Company and the Insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less SHALL BE arbitrated at the request of either the Company or the Insured, unless the Insured is an individual person (as distinguished from a corporation, trust, partnership, association or other legal entity). All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the Insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The Law of the situs of the land shall apply to any arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request,

15. LIABILITY LIMITED TO THIS POLICY: POLICY ENTIRE CONTRACT.

- (a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.
- (c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision, and all other provisions shall remain in full force and effect.

17 NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at: First American Title Insurance Company, 1500 S. Dairy Ashford, Suite 300, Houston, TX 77077.

COMPLAINT NOTICE.

Should any dispute arise about your premium or about a claim that you have filed, contact the agent or write to the Company that issued the policy. If the problem is not resolved, you also may write the Texas Department of Insurance, P.O. Box 149104, Austin, TX 78714-9104, Fax No. (512) 305-7426. This notice of complaint procedure is for information only and does not become a part or condition of this policy.

FOR INQUIRIES CALL: (214) 855-8888

REPUBLIC TITLE OF TEXAS, INC. 2626 Howell Street, 10° Floor Dallas, TX 75204



First American Title Insurance Company

1500 South Dairy Ashford, Suite 300 Houston, Texas (77077) (281) 588-2200 Wats Line: 1-800-347-7826 FOR INFORMATION, OR MAKE A COMPLAINT, CALL: 1-800-347-7826

Owner Policy

SSUED BY:

Joint Venture Rent

Tenants	2001 Rent	2002 Rent	
Joe's Auto body	3,300.00	4,062,30	
John Green	350.00	430.85	
David Caranza*	1,250.00	920.00	
Jerry Ward	550.00	677.05	
Sheldon Lauritsen	350.00	430.85	
Debbie Grinsby	725.00		
Joe's Muffler*	275.00	521.20	
Larry Friend		620.00	
Addison Sambuca	1,000.00	1,250.00	
Storage - Sambuca Group		500.00	
Storage - Sambuca Addison		250.00	

7,800.00

9,662.25

*Change in space rented

2002 Rents effective 2/1/02

Storage rents effective 7/1/02

HP LaserJet 3200se

9:55:26AM

Send

TOALASERJET 3200 9724502837 SEP-27-2002 9:56AM

834



OK

Fax Call Report

9/27/2002

Type Identification Time Duration Result Job Date Pages 92146722358

> TOWN OF ADDISON **PUBLIC WORKS**

> > ✓ From:

214 672 2358

No. of Pages (including cover): <a>

Michael E. Murphy, P.E. Director of Public Works

Office: 972/450-2878 Fax: 972/460-2837

0:49

2

16801 Westgrove P.O. Box 9010 Addison, TX 75001-8010