

April _____, 2020

Mr. William C. Shaddock
2400 Dallas Parkway, Suite 560
Plano, Texas 75093

Re: Letter Agreement for Improvement, Purchase and Sale of Lot and Improvements at NE Corner of Preston Road and Lovers Lane, University Park, Texas (Lot , Block , _____ Addition, City of University Park, Dallas County, Texas, _____ Lovers Lane (the “Property”)

Dear Mr. Shaddock:

This letter confirms the general agreement between William C. Shaddock (“you” or “Shaddock”) and the City of University Park (the “City”), Texas, concerning the improvement and sale of the referenced lot and improvements by you to the City, subject to the terms hereof and subject to entering into a formal real estate purchase and sale agreement as specified in paragraph 10 below. Shaddock and the City may be collectively referred to herein as the “Parties”.

The Parties agree on the following terms and conditions and further agree to execute such documents, including but not limited to an appropriate purchase and sale agreement, special warranty deed, and conveyances, and to make such payments as are necessary to give effect to this Letter Agreement to conform with the understanding stated herein.

The Parties agree as follows:

1. You, or an entity owned by you, is the owner in fee simple title of the Property and any structures thereon.
2. You will demolish the current structures and construct on the Property in accordance with final construction documents approved by the City Council, at your sole cost and expense but subject to City reimbursement obligations specified in paragraph 5 below and, the new improvements depicted in such construction drawings (the “Improvements”). Shaddock will construct the Improvements with contractors selected by Shaddock.
3. You and/or your contractor on your behalf will acquire all necessary permits, inspections and approvals required by law for the Improvements, provided the City agrees to waive all the usual permitting fees.

4. The City will pay the design architect for general oversight of the construction of the Improvements and Shaddock shall have no obligation of any kind towards payment of the design architect. The fees of the design architect shall not be included in the costs of the Improvements to be shared by the City and Shaddock as specified in paragraph 5 below.
5. You agree that following completion of construction, and approval of the Improvements by the City, you will convey the Property to the City by special warranty deed for the sum of \$500,000.00 paid by the City to you, provided, if the cost of the demolition of the current structures on the Property and construction of the Improvements exceeds \$500,000.00, you and the City will pay the excess amount over \$500,000.00 equally (e.g. if the demolition of the current structures and construction of the Improvements cost is \$600,000.00, the City will pay you \$550,000.00 and you will pay the remainder of the cost of the demolition of the current structures and construction of the Improvements). The City will pay to Shaddock the City's portion of the cost of the demolition of the current structures and the construction of the Improvements at the Closing (as defined below). All amounts specified in this paragraph 5 to be paid by the City to Shaddock at the Closing shall be the "Purchase Price".
6. At the closing of the sale of the Property to the City (the "Closing"), you will execute a special warranty deed and closing documents to complete the sale and purchase of the Property and the City will pay the sum determined by the means described in paragraph 5 above. The Closing will occur within fifteen (15) business days after the completion of the Improvements and issuance by the City of a certificate of occupancy for the Improvements. The Closing will occur at the offices of Capital Title, Attention: Bob Blanshard, 8333 Douglas Avenue, Suite 1525, Dallas, Texas 75225. The special warranty deed will be in such form approved by William C. Shaddock and his counsel and will contain a restriction providing that the Property and the Improvements will be perpetually used and maintained by the City as a public park with such name as designated by William C. Shaddock as specified below in paragraph 7. At Closing, Shaddock will convey the Property and the Improvements to the City subject to all encumbrances and exceptions of record. If the City desires to purchase a title policy, the cost of such title policy shall be at the City's cost and expense. Ad valorem taxes and assessments for the Property shall be prorated as of the date first specified above in this letter, and the amount owed by Shaddock for its share of the prorated ad valorem taxes and assessments shall be credited against the Purchase Price at the Closing. Subject to the proration and credit as specified in the immediately preceding sentence, the City will assume the payment of all ad valorem taxes and any assessments, if any, for the year in which the Closing occurs and for subsequent years. Shaddock shall pay all ad valorem taxes and any assessments for the Property that were assessed prior to the year of the Closing. The Property and Improvements shall be conveyed to the City on an AS-IS basis.
7. Immediately upon the Closing, the City will designate the Property as a public park and you will have the right to determine in writing to the City Council the name to be given the park, which name shall not subject to change by the City and shall be designated by such name in all City records. The name of the park shall be displayed on all signage for the public park as is consistent with standard City signage for public parks.

8. The City will assume maintenance of the park in a manner consistent with maintenance of other City parks.
9. This Letter Agreement has been reviewed and approved by the University Park City Council during its regular meeting on April ___, 2020.
10. The City and Shaddock shall enter into a formal real estate purchase and sale agreement based on the terms of this letter agreement by no later than thirty (30) days after the date of this letter agreement. Shaddock's counsel shall prepare an initial draft of such real estate purchase and sale agreement.

AGREED:

CITY OF UNIVERSITY PARK, TEXAS

By: _____
Olin Lane Jr., Mayor

AGREED:

William C. Shaddock