

WHEREAS, the City of Dallas ("City") is the owner of two tracts of land containing a total of approximately 8.2 acres, located in City Blocks 1/415, 2/415 and 1/416, Dallas County, Texas, near the intersections of South Sports Street and Houston Street Viaduct and South Stemmons Freeway and Reunion Boulevard which City deems constitute surplus property ("Surplus Property") and are no longer needed for municipal use; and

WHEREAS, City is a party to a certain 1974 Master Agreement ("Agreement") between the City of Dallas ("City"), Hunt Investment Corporation, Woodbine Development Corporation and Ray L. Hunt, ("Original Hunt Parties"); and

WHEREAS, the Agreement, as amended, governs the development of the Surplus Property and also provides for a purchase option by the Original Hunt Parties to acquire the Surplus Property; and

WHEREAS, Hunt-Woodbine Realty Corporation ("HW") has succeeded to all rights, titles and interest of the Original Hunt Parties including the purchase option pursuant to the Agreement; and

WHEREAS, HW is the owner of certain property also subject to the Agreement which the City has identified as needed land ("HW Property") for the continued development of the Dallas Convention Center; and

WHEREAS, the City and HW pursuant to the Agreement purchase option wish to consolidate the HW Property and the Surplus Property respectively under separate but contiguous ownership to promote each party's future development opportunities; and

WHEREAS, the procedures required by Section 2-24 of the Dallas City Code which are required by State law concerning the sale of surplus property were waived with respect to these City-owned surplus tracts; and

WHEREAS, to effect the desired ownership consolidations and development opportunities, the parties agree to complete a land exchange pursuant to the purchase option set forth in the Agreement whereby in exchange for the City Surplus Property, HW will convey to City the HW Property together with cash for a comparable exchange value in total; **Now, Therefore,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That City Manager, upon approval as to form by City Attorney, is authorized to enter into an Exchange Agreement with Hunt-Woodbine Realty Corporation, that pursuant to the Exchange Agreement and upon City's receipt from Hunt-Woodbine Realty Corporation of **THREE MILLION, FIVE HUNDRED FORTY-SEVEN THOUSAND AND NO/100 (\$3,547,000) DOLLARS**, and a Special Warranty Deed and an owner's policy of title insurance acceptable as to form by the City Attorney, conveying approximately 6.6 acres of land located in City Blocks 417 and 418, Dallas County, Texas, to the City of Dallas, the City Manager is hereby authorized to execute a Special Warranty Deed conveying the Surplus Property (a total of approximately 8.2 acres of land located in City Blocks 1/415, 2/415 and 1/416, Dallas County, Texas) from City (Grantor) to Hunt-Woodbine Realty Corporation, to be attested by the City Secretary upon approval as to form by the City Attorney.

SECTION 2. That the Special Warranty Deed of the Surplus Property shall provide that the conveyance to Hunt-Woodbine Realty Corporation, a Delaware corporation ("**GRANTEE**") is subject to the following:

- (a) ~~a restriction prohibiting the placement of industrialized housing on the property; and~~
- (~~b~~a) the retention and reservation of easements across the property for water and wastewater facilities; and
- (~~c~~) ~~reservation by the City of Dallas of all oil, gas and other minerals in and under the property with a waiver of surface access rights relating to said minerals; and~~
- (~~d~~b) any visible and apparent easements and any encroachments ~~whether of record or not~~ shown on the survey provided from Raymond L. Goodson Jr., Inc.; and
- (~~e~~c) any and all covenants, conditions, reservations, restrictions, exceptions, easements, rights-of-way, mineral interests, mineral leases or other instruments of record and applicable to the property or any part thereof; and

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(fd) shall contain the statement:

"This Deed is issued by Grantor to Grantee pursuant to the terms of that certain Real Estate Exchange Agreement (the "Agreement") dated December __, 2012, by and between Grantor and Grantee. The Agreement contains (as Section 4.3 thereof) the following provision, which is hereby incorporated into this deed. For purposes of the following provision "HWRC" refers to the Grantee, and "CITY" refers to the Grantor, and the Property that is subject of this Deed is a portion of the "Exchange Property" as defined in the Agreement.

EXCEPT FOR THE REPRESENTATIONS CONTAINED IN THIS AGREEMENT OR CONTAINED IN ANY OF THE CLOSING DOCUMENTS EACH PARTY FOR ITSELF, ANY AND AFFILIATES OF SAID PARTY (COLLECTIVELY, THE "RELATED PARTIES") SPECIFICALLY AND EXPRESSLY DISCLAIMS AND WAIVES ALL WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE (INCLUDING WARRANTIES OF HABITABILITY, MERCHANTABILITY, AND FITNESS FOR USE OR FOR ANY PARTICULAR PURPOSE) WITH RESPECT TO THE RESPECTIVE EXCHANGE PROPERTY OR ITS CONDITION. THE DISCLAIMERS IN THIS SECTION 4.3 (SUBJECT TO THE REPRESENTATIONS AND WARRANTIES OF HWRC AND CITY IN THIS AGREEMENT AND IN THE CLOSING DOCUMENTS) SPECIFICALLY EXTEND TO (1) MATTERS RELATING TO HAZARDOUS MATERIALS AND COMPLIANCE WITH ENVIRONMENTAL LAWS, (2) GEOLOGICAL CONDITIONS, INCLUDING SUBSIDENCE, SUBSURFACE CONDITIONS, WATER TABLE, UNDERGROUND STREAMS AND RESERVOIRS AND OTHER UNDERGROUND WATER CONDITIONS, LIMITATIONS REGARDING THE WITHDRAWAL OF WATER, EARTHQUAKE FAULTS, AND MATTERS RELATING TO FLOOD PRONE AREAS, FLOOD PLAIN, FLOODWAY OR SPECIAL FLOOD HAZARDS, (3) DRAINAGE, (4) SOIL CONDITIONS, INCLUDING THE EXISTENCE OF INSTABILITY, CONDITIONS OF SOIL FILL, SUSCEPTIBILITY TO LANDSLIDES, AND THE SUFFICIENCY OF ANY UNDERSHORE, (5) ZONING AND SUBDIVISION AND COMPLIANCE WITH ZONING AND SUBDIVISION LAWS, AND (6) THE VALUE AND PROFIT POTENTIAL OF THE RESPECTIVE EXCHANGE PROPERTY.

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EACH PARTY (THE "REPRESENTING PARTY") REPRESENTS AND WARRANTS TO THE OTHER PARTY ("NON-REPRESENTING PARTY") THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES MADE BY THE OTHER PARTY IN THIS AGREEMENT AND IN THE CLOSING DOCUMENTS, SUCH PARTY HAS NOT RELIED UPON AND WILL NOT RELY UPON, EITHER DIRECTLY OR INDIRECTLY, ANY STATEMENT OF THE OTHER PARTY OR ANY OFFICER, DIRECTOR, TRUSTEE, AGENT, EMPLOYEE OR OTHER PERSON ACTING OR PURPORTING TO ACT ON BEHALF OF THE OTHER PARTY. THE REPRESENTING PARTY ACKNOWLEDGES THAT IT HAS CONDUCTED SUCH INSPECTIONS AND INVESTIGATIONS AS TO THE CONDITION OF THE EXCHANGE PROPERTY TO BE ACQUIRED BY IT AND ALL MATTERS BEARING UPON SAID EXCHANGE PROPERTY AND PROSPECTS OF SAID EXCHANGE PROPERTY AS IT DEEMS NECESSARY TO PROTECT ITS INTERESTS. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT OR CONTAINED IN ANY OF THE CLOSING DOCUMENTS, EACH PARTY IS ACQUIRING ITS RESPECTIVE EXCHANGE PROPERTY "AS IS", "WHERE IS" AND WITH ALL FAULTS, DEFECTS OR OTHER ADVERSE MATTERS. UPON CLOSING, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT OR CONTAINED IN ANY OF THE CLOSING DOCUMENTS, EACH PARTY WILL ACCEPT ITS RESPECTIVE EXCHANGE PROPERTY SUBJECT TO ANY ADVERSE CONDITIONS THAT MAY THEN EXIST AND THAT WERE OR WERE NOT REVEALED BY THE INSPECTIONS AND INVESTIGATIONS CONDUCTED BY SUCH PARTY. EACH PARTY ACKNOWLEDGES AND AGREES THAT THE DISCLAIMERS, WAIVERS AND RELEASES SET FORTH IN THIS SECTION 4.3 ARE AN INTEGRAL PART OF THIS AGREEMENT AND THAT NEITHER PARTY WOULD HAVE AGREED TO THE TERMS OF THIS AGREEMENT WITHOUT THE DISCLAIMERS, WAIVERS AND RELEASES SET FORTH IN THIS SECTION 4.3.

- (ge) such other terms and requirements of the sale and/or disclaimers as the City deems necessary, convenient or appropriate.

SECTION 3. That the Special Warranty Deed of the HW Property to be delivered by **GRANTEE** to City as part of the consideration for City's conveyance of the Surplus Property shall be subject to similar conditions. Neither party is retaining oil, gas and other minerals in and under the respective properties.

SECTION 4. That the sale proceeds shall be deposited into the General Fund 0001, Dept DEV, Bal Sheet 0519 and Department of Sustainable Development and Construction, Real Estate Division shall be reimbursed for the cost of obtaining legal description, appraisal and other administrative costs incurred. The reimbursement proceeds shall be deposited in General Fund 0001, Dept DEV, Unit 1183, Object 5011 and any remaining proceeds shall be transferred to the Convention Center Fund 0080, Department CCT, Unit 7840, Revenue Source 8416.

SECTION 5. That if a title policy is desired by **GRANTEE**, same shall be at the expense of said **GRANTEE**.

SECTION 6. That the sale of the City Surplus Property shall be subject to standby fees, taxes and assessments, if any, by any taxing authority for the year of closing and subsequent years and assessments by any taxing authority for prior years due to changes in land usage or ownership, the payment of said standby fees, taxes and assessments being assumed by **GRANTEE**. All fees, taxes and assessments, if any, by any taxing authority as to the exchange tract being conveyed to CITY shall be paid for the year of closing by **GRANTEE**.

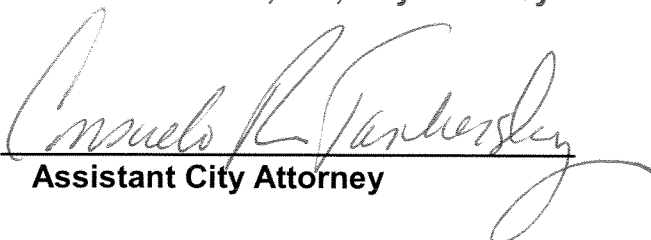
SECTION 7. That the procedures required by Section 2-24 of the Dallas City Code that are not required by state law concerning the sale of surplus property are waived with respect to this tract of land.

SECTION 8. That this resolution and related documents shall be forwarded to a title insurance company for preparation of instruments necessary for closing the conveyance of the Surplus Property which will be forwarded to the City Attorney for approval as to form, and subsequent to closing, filed with the County Clerk and thereafter returned to the City Secretary for permanent record.

SECTION 9. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:

THOMAS P. PERKINS, JR., City Attorney

BY: 
Assistant City Attorney

