

Section 2. Demolition

- (a) The Developer will commence the demolition of the buildings and structures listed in Section 1 (the "Demolition") no later than December 1, 2015, with completion no later than March 31, 2016.
- (b) The Developer shall furnish and be responsible for obtaining all labor, materials, services, and surveys as required for the proper removal and disposal of asbestos containing material on the Property in connection with the Demolition and shall do so in accordance with all applicable laws and regulations, including but not limited to those of the federal Environment Protection Agency ("EPA") and the Texas Commission on Environmental Quality ("TCEQ"). The asbestos abatement is included in the scope and cost of the Demolition and is not an additional or separate expense or requirement.
- (c) The Developer is responsible for securing the site, at its own expense, before and during the Demolition in a way that is reasonably certain to keep trespassers from entering the premises.

Section 3. Payment

- (a) After the completion of the Demolition and proof that the Property is clear of any debris, the City agrees to pay the Developer \$2,700,000.00 subject to the terms of subsections (b) and (c) below.
- (b) Prior to receiving any payment from the City pursuant to this Section, the Developer shall deliver to the City releases from the contractors, subcontractors, and suppliers who have provided labor and materials in connection with the Demolition showing they have been paid for such labor and materials.
- (c) Upon completion of the Demolition as set forth in Sections 1 and 2 of this Agreement, the Developer will notify the City in writing that the work is complete. Upon receipt of the notice of completion, within five (5) business days the City will conduct and complete an inspection of the property and determine whether Demolition has been completed as required under this Agreement. If the work is determined to be complete and all other requirements of this Agreement have been met, the City will pay the Developer the total sum of \$2,700,000.00 within ten (10) days thereafter. If, after the inspection by the City, the work is deemed incomplete, and the Developer is notified of the incompleteness of the work in writing, then the Developer will have thirty (30) days to complete the work, and the Developer will then notify the City in writing that the Demolition is complete. Upon receipt of the notice of completion of the Demolition, within five (5) business days the city will complete a second inspection of the property and determine whether Demolition has been completed as required under this Agreement. If the work is still incomplete after the inspection, the City will provide a written list of what work is necessary for completion of Demolition. The City shall be under no obligation to make any payment to the Developer until the Developer has completed the Demolition work. In the event that a dispute arises between the City and the Developer

about whether the Demolition work is complete, the dispute shall go to mediation. The Parties shall select the mediator jointly, and the Parties shall share in the costs of mediation equally.

Section 4. Mutual Assistance

The Parties shall do all things necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms and provisions of this Agreement.

Section 5. Representations by the Parties

(a) The City represents that:

- (1) The City is a home rule Texas municipal corporation and has the power to enter into and has taken all actions to date required to authorize this Agreement and to carry out its obligations hereunder;
- (2) The City knows of no litigation, proceedings, initiative, referendum, investigation or threat of any of the same contesting the powers of the City or its officials with respect to this Agreement that has not been disclosed in writing to the Developer;
- (3) The City knows of no law, order, rule or regulation applicable to the City that would be contravened by, or conflict with the execution and delivery of this Agreement.
- (4) This Agreement constitutes a valid and binding obligation of the City, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity. The City will defend the validity of this Agreement in the event of any litigation arising hereunder that names the City as a party or which challenges the authority of the City to enter into or perform its obligations hereunder.

(b) The Developer represents that:

- (1) The Developer is a Texas limited liability corporation and is qualified to do business in the State of Texas, and has the legal capacity and the authority to enter into and perform its obligations under this Agreement;
- (2) The execution and delivery of this Agreement and the performance and observance of its terms, conditions and obligations have been duly and validly authorized by all necessary action on the Developer's part to make this Agreement;

- (3) The Developer knows of no litigation, proceeding, initiative, referendum, or investigation or threat of the same contesting the powers of the Developer or any of its principals or officials with respect to this Agreement that has not been disclosed in writing to the City; and
- (4) The Developer has the necessary legal ability to perform its obligations under this Agreement and has the necessary financial ability to meet its obligations. This Agreement constitutes a valid and binding obligation of the Developer, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

Section 6. Undocumented Workers

As required by Subchapter B of Chapter 2264 of the Texas Government Code, the Developer certifies that to the Developer's knowledge it does not and will not knowingly employ an undocumented worker in connection with the work performed under this Agreement. If after receiving the payment set forth in this Agreement the Developer is convicted under 8 USC Section 1324a(f) for employing an undocumented worker in connection with the work, the Developer shall repay the amount it has received plus interest at a rate of the prime rate published in the Wall Street Journal plus two percent (2%) per annum to the City, not later than the 120th day after the date the City notifies the Developer of the violation.

Section 7. Default

The City will have no obligation under Section 3 of this Agreement if the Developer fails to comply with any of its obligations set forth in this Agreement and if the Developer fails to cure its default, within the applicable cure period provided below. In the event that the City determines the Developer has failed to meet any of its material obligations, the City will notify the Developer of such default. The Developer will be given notice of the default and a reasonable timeline to remedy the default, to be not less than thirty (30) days, except in the event public safety is at risk. If such default is not remedied within the specified timeline, the City's obligation under this Agreement shall terminate.

Section 8. Right of Offset

The City may, at its option, offset any amounts due and payable by the City under this Agreement against any debt (including taxes) lawfully due to the City from the Developer, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise, and regardless of whether or not the debt in question has been reduced to judgment by a court.

Section 9. Indemnification

THE DEVELOPER EXPRESSLY AGREES TO FULLY AND COMPLETELY DEFEND, INDEMNIFY, AND HOLD HARMLESS CITY, AND ITS OFFICERS, AGENTS AND EMPLOYEES, AGAINST ANY AND ALL CLAIMS, LAWSUITS, LIABILITIES, JUDGMENTS, COSTS, AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM, DAMAGES OR LIABILITY FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY ANY NEGLIGENT, GROSSLY NEGLIGENT, WRONGFUL, OR STRICTLY LIABLE ACT OR OMISSION OF THE DEVELOPER OR ITS AGENTS, EMPLOYEES, OR CONTRACTORS, ARISING OUT OF THE DEVELOPER'S PERFORMANCE OF AND OBLIGATIONS UNDER THIS AGREEMENT INVOLVING THE DEMOLITION OF IMPROVEMENTS. Nothing in this paragraph may be construed as waiving any governmental immunity available to the City under state law. This provision is solely for the benefit of the Developer and the City and is not intended to create or grant any rights, contractual or otherwise, in or to any other person.

Section 10. Joint Venture

It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties. The City, its past, present and future officers, elected officials, directors, employees and agents, does not assume any responsibility to any third party in connection with the Developer's construction of the Public Improvements.

Section 11. Changes and Amendments

Except as specifically provided otherwise in this Agreement, any alterations or deletions to the terms of this Agreement shall be by written amendment executed by both Parties to this Agreement.

Section 12. Successors and Assigns

This Agreement shall be binding on and inure to the benefit of the Parties, their respective successors and assigns. The Developer may assign all or part of its rights and/or obligations hereunder upon written notice to the City of such assignment.

Section 13. Notice

Any notice and/or statement required or permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate Party at the following addresses, or at such other addresses provided by the Parties in writing:

If to the Developer: CADG 901 Airport, LLC
1800 Valley View Lane, Suite 300
Farmers Branch, Texas 75234

and to: Attn: Robert Miklos
Miklos Law, PLLC
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

If to the City: City Manager
City of Euless
201 N. Ector Dr. – City Hall
Euless, Texas 76039

and to: Taylor Olson Adkins Sralla Elam, LLP
6000 Western Place, Suite 200
Fort Worth, Texas 76107-4654
Attn: Wayne Olson

Section 14. Venue

The obligations of the Parties to this Agreement are performable in Tarrant County, Texas, and if legal action is necessary to enforce same, exclusive venue shall lie in Tarrant County, Texas.

Section 15. Applicable Laws

This Agreement is made subject to the provisions of the Charter and ordinances of the City, as amended, and all applicable State and Federal laws.

Section 16. Governing Law

This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.

Section 17. Legal Construction/Partial Invalidity of Agreement

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

EXECUTED and effective as of the date written above.

CITY OF EULESS, TEXAS

Loretta Getchell, City Manager

**CADG 901 Airport Freeway, LLC,
a Texas limited liability company**

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Member

By: MMM Ventures, LLC,
a Texas limited liability company,
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company,
Its Manager

Mehrdad Moayedi, Manager

ACKNOWLEDGMENTS

STATE OF TEXAS §
§
COUNTY OF TARRANT §

This instrument was acknowledged before me on the ____ day of _____, 2015,
by Loretta Getchell, City Manager of the City of Euless, Texas, on behalf of said city.

Notary Public, in and for the State of Texas

My Commission expires: _____

STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2015 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Member of CADG 901 Airport Freeway, LLC, a Texas limited liability company on behalf of said company.

Notary Public

My Commission expires: _____

DRAFT