

RESOLUTION NO. 21-2020

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE A MEMORANDUM OF UNDERSTANDING WITH BLOOMFIELD HOMES, L.P., AND THE CITY OF BALCH SPRINGS, TEXAS, FOR THE SALE OF 173.393 ACRES OF LAND LOCATED IN BALCH SPRINGS TO BLOOMFIELD HOMES, L.P., OF WHICH 171.393 ACRES IS OWNED BY THE CITY OF MESQUITE AND 2.0 ACRES IS OWNED BY THE CITY OF BALCH SPRINGS; AND AUTHORIZING THE CITY MANAGER, OR THE CITY MANAGER'S DESIGNEE, TO NEGOTIATE THE TERMS AND PROVISIONS OF AN AGREEMENT RELATING TO THE SALE AND PURCHASE OF SUCH PROPERTY.

WHEREAS, on May 4, 2020, the Mesquite City Council awarded RFP No. 2019-046 to Bloomfield Homes, L.P. ("Bloomfield"), to purchase 171.393 acres owned by the City of Mesquite, Texas ("Mesquite"), to be combined with the purchase of two acres owned by the City of Balch Springs, Texas ("Balch Springs"), for the development of a 173.393-acre mixed use residential and retail development wholly located within Balch Springs (the 171.393 acres owned by Mesquite and the 2 acres owned by Balch Springs being hereinafter sometimes collectively referred to as the "Property"); and

WHEREAS, the Balch Springs City Council also approved the award to Bloomfield as stipulated in RFP No. 2019-046; and

WHEREAS, the Memorandum of Understanding, attached hereto as **Exhibit "1"** and made a part hereof for all purposes ("MOU"), is not a binding agreement or contract, but outlines the basic principles to be embodied in a definitive purchase and sale agreement to be negotiated between Bloomfield, Mesquite and Balch Springs relating to the sale and purchase of the Property by Mesquite and Balch Springs to Bloomfield; and

WHEREAS, once the MOU is executed, Mesquite, Balch Springs and Bloomfield will have 90 days to negotiate and enter into a purchase agreement for the sale and purchase of the Property; and

WHEREAS, any purchase agreement negotiated between Bloomfield, Mesquite and Balch Springs will be subject to the approval of the City Councils of the cities of Mesquite and Balch Springs; and


WHEREAS, the Mesquite City Council is of the opinion and finds that the MOU is in the public interest of the City of Mesquite and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the City Manager is hereby authorized to finalize and execute the MOU attached hereto as **Exhibit "1"** and made a part hereof for all purposes.

SECTION 2. That the City Manager, or the City Manager's designee, is further hereby authorized to negotiate the terms and provisions of an agreement between the City of Mesquite, Balch Springs and Bloomfield for the sale and purchase of the Property, the terms and provisions of such agreement to be subject to the approval of the City Councils of the cities of Mesquite and Balch Springs.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 18th day of May 2020.



Bruce Archer
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED AS TO LEGAL FORM:



David L. Paschall
City Attorney

MEMORANDUM OF UNDERSTANDING

May 13, 2020

VIA EMAIL: tchinn@cityofmesquite.com

Mr. Ted Chinn
Assistant City Manager
City of Mesquite
1515 N. Galloway Avenue
Mesquite, Texas 75149

VIA EMAIL: scluse@cityofbalchsprings.com

Ms. Susan Cluse
City Manager
City of Balch Springs
13503 Alexander Road
Balch Springs, Texas 75181

Re: Purchase of 173.393± acres located in the City of Balch Springs, Dallas County, Texas (the "**Property**") and owned by the Cities of Mesquite and Balch Springs

Bloomfield Homes, L.P., ("**Purchaser**") is pleased to provide this Memorandum of Understanding ("**MOU**") to the City of Mesquite, Texas ("**City of Mesquite**" or "**Mesquite**") and the City of Balch Springs, Texas ("**City of Balch Springs**" or "**Balch Springs**") reflecting the terms under which it proposes to purchase the Property. Purchaser, Mesquite and Balch Springs may be individually referred to as a "**Party**" and collectively as the "**Parties**." Mesquite and Balch Springs are sometimes hereinafter collectively referred to as the "**Sellers**." This MOU shall serve to outline the basic principles to be embodied in a definitive purchase and sale agreement (the "**Purchase Agreement**") which, when executed, shall become binding on each of the Parties.

Sellers: City of Mesquite with respect to approximately 171.393 acres of land more particularly described as Tract 1, Tract 2, Tract 3 and Tract 4 in **Exhibit A** attached hereto and made a part hereof for all purposes (the "**Mesquite Property**"), which represents approximately 98.847% of the Property.

City of Balch Springs with respect to approximately 2.0 acres of land more particularly described as Tract 5 in **Exhibit A** (the "**Balch Springs Property**"), which represents approximately 1.153% of the Property.

Purchaser: Bloomfield Homes, L.P., a Texas limited partnership.

Property: Approximately 173.393 gross acres consisting of the following five (5) tracts of real property located in Balch Springs, Dallas County, Texas, to-wit:

- (1) That certain tract of land consisting of approximately 61.2824 acres and being more particularly described as Tract 1 on the attached **Exhibit A (“Tract 1”)**;
- (2) That certain tract of land consisting of approximately 71.4629 acres and being more particularly described as Tract 2 on the attached **Exhibit A (“Tract 2”)**;
- (3) That certain tract of land consisting of approximately 16.2641 acres and being more particularly described as Tract 3 on the attached **Exhibit A (“Tract 3”)**;
- (4) That certain tract of land consisting of approximately 22.3832 acres and being more particularly described as Tract 4 on the attached **Exhibit A (“Tract 4”)**; and
- (5) That certain tract of land consisting of approximately 2.0 acres and being more particularly described as Tract 5 on the attached **Exhibit A (“Tract 5”)**.

Purchase Price: \$5,800,000.00 (the "**Purchase Price**"). The Purchase Price will be paid in cash at Closing (defined below) to (1) the City of Mesquite in the amount of \$5,700,000.00 (the "**Mesquite Purchase Price**") for the Mesquite Property, and (2) the City of Balch Springs in the amount of \$100,000.00 (the "**Balch Springs Purchase Price**") for the Balch Springs Property.

Purchase Agreement: Purchaser shall deliver to Sellers an initial draft of the Purchase Agreement within fifteen (15) days after full execution of this MOU by all Parties. Within ten (10) days after the Purchaser and the City Councils of both Sellers approve the Purchase Agreement, the Parties shall execute the Purchase Agreement. The effective date of the Purchase Agreement (herein the "**Effective Date of the Purchase Agreement**") shall mean the date on which the last of the Parties have executed the Purchase Agreement.

Exclusivity: Sellers agree to deal exclusively with Purchaser for a period of ninety (90) days after the execution of this MOU by all Parties ("**Exclusive Period**"). If a Purchase Agreement is not executed by all Parties within the Exclusive Period, Sellers may negotiate and sell the Property to any other party on any terms acceptable to the Sellers after the expiration of the Exclusive Period.

Earnest Money: \$100,000.00 shall be deposited with the Title Company within three (3) business days after execution of the Purchase Agreement (the "**Earnest Money**"). In the event that Purchaser terminates the

Purchase Agreement prior to the expiration of the Feasibility Study Period (as hereinafter defined) or prior to the earlier of: (i) approval of Entitlements as described below; or (ii) expiration of the Entitlement Period (as hereinafter defined), Purchaser will be entitled to a refund of the Earnest Money, less \$5,000.00 as "**Independent Consideration**" (herein so called) to be paid 90% to Mesquite and 10% to Balch Springs, and Purchaser and Sellers shall be released from any further liabilities under the Purchase Agreement except for those that expressly survive the termination of the Purchase Agreement pursuant to its terms. The Earnest Money shall be credited at the Closing in the amount of (a) \$98,275.86 against the Mesquite Purchase Price, and (b) \$1,724.14 against the Balch Springs Purchase Price.

**Feasibility Study
Period:**

Purchaser shall have ninety (90) days following the Effective Date of the Purchase Agreement to inspect the Property (the "**Feasibility Study Period**"). Purchaser may enter on to the Property and conduct such tests that Purchaser deems appropriate at Purchaser's sole expense, provided, however, any invasive environmental testing shall require the prior written consent of Mesquite for the Mesquite Property and shall require the prior written consent of Balch Springs for the Balch Springs Property. Purchaser agrees to maintain comprehensive general liability insurance of at least One Million and No/100 Dollars (\$1,000,000.00) from an insurance company licensed in Texas covering its activities under this section. Upon the completion of any such inspection Purchaser shall restore the Property to substantially the same condition that existed prior to such inspection. **Purchaser shall indemnify, hold harmless, and defend Sellers from any actual out of pocket loss, cause of action or claim arising out of or resulting from Purchaser's or Purchaser's officers, employees, agents, representatives, consultants and independent contractors' entry on the Property or other actions on the Property under this section.** In the event Purchaser determines that the Property is unsuitable for Purchaser's intended purposes or for no reason, then Purchaser shall notify Sellers in writing on or prior to the expiration of the Feasibility Study Period that it has elected to terminate the Purchase Agreement, in which event all Earnest Money (less the Independent Consideration) shall be immediately remitted to Purchaser. Purchaser shall be deemed to have accepted the Property for its intended use if the Purchaser has not terminated the Purchase Agreement prior to the expiration of the Feasibility Study Period.

If the Purchase Agreement is terminated during the Feasibility Study Period, Purchaser will sign an All Bills Paid Affidavit before any refund of the Earnest Money.

During the Feasibility Study Period, Mesquite may identify any easements needed on or across the Property necessary to serve other Mesquite owned property and/or facilities adjacent to the Property. The terms for any such easements shall be included in the Purchase Agreement and shall be finalized during the Feasibility Study Period.

HUD Restrictions:

Purchaser acknowledges that Tract 1 and Tract 2 are currently restricted to use for or by the City of Mesquite and Mesquite Independent School District (“**Current HUD Restrictions**”). The City of Mesquite has requested the U.S. Department of Housing and Urban Development (“**HUD**”) to modify the Current HUD Restrictions. The Parties acknowledge that any modification of the Current HUD Restrictions is at the sole discretion of HUD and City of Mesquite shall not be in default of this MOU or the Purchase Agreement in the event HUD fails to modify the Current HUD Restrictions or fails to modify the Current HUD Restrictions in a manner acceptable to Purchaser. The Parties further agree that the closing of the sale and purchase of the Property shall expressly be conditioned on HUD modifying the Current HUD Restrictions at Closing on terms acceptable to HUD, the Purchaser and Mesquite and in the event HUD fails to modify the Current HUD Restrictions on terms acceptable to HUD, the Purchaser and Mesquite on or prior to the Closing Date, the Purchaser or Mesquite may terminate the Purchase Agreement by written notice to the other Parties in which event the Parties shall have no further rights or obligations under the Purchase Agreement except for those that expressly survive the termination of the Purchase Agreement according to its terms. Purchaser agrees that the following restrictions encumbering the Property are acceptable to Purchaser: (a) require no less than 20% of the housing units be affordable, with a base price ranging between \$150,000 and \$190,000, given a Dallas area median income of \$77,200, (b) require that development of the Property provide the community with affordable housing options and integrate several of the Secretary of HUD’s current initiatives, and (c) require the restrictions will encumber the Property for no less than twenty-five years. Purchaser agrees to accept title to the Property subject to the restrictions set forth in the preceding sentence or other restrictions acceptable to HUD, Purchaser and Mesquite.

Survey, Title and Other Property Documents:

Within fifteen (15) days after the Effective Date of the Purchase Agreement, Sellers, at Sellers’ sole expense, shall provide Purchaser with (1) a tax certificate reflecting all taxes for 2020 and all rollback taxes, if any, (2) copies of all surveys and recorded plats of the Property, if any, in Sellers’ actual possession; and (3) copies of any and all reports, tests, inspections, surveys, oil and gas leases, royalty agreements, mineral reservations, including, without limitation, all annexation, platting and/or zoning applications and materials,

preliminary plats, final plats, topographical maps, flood plain information, building restrictions, development contracts, municipal and/or public improvement district or other public financing vehicle documents, any approvals issued by any governmental authority and any other documents, instruments and information in Sellers' actual possession relating to the Property (collectively, the "**Other Property Documents**"). This section shall not require Sellers to search any public records or obtain copies of any documents, instruments or information from any third party.

Sellers will not make any representations or warranties as to the accuracy or completeness of the Other Property Documents and Purchaser shall agree that any reliance on the Other Property Documents shall be at the sole risk of Purchaser.

At Purchaser's sole cost and expense, Purchaser may obtain a survey of the Property within thirty (30) days after the Effective Date of the Purchase Agreement (the "**Survey**").

At Purchaser's sole cost and expense, Purchaser shall cause the Title Company to deliver to Purchaser within twenty (20) days after the Effective Date of the Purchase Agreement a current title commitment ("**Title Commitment**") and copies of all recorded title exception matters. Purchaser will have sixty (60) days after the Effective Date of the Purchase Agreement to make written objections to title and/or survey matters ("**Title Review Period**"). Matters shown on the Title Commitment and Survey not objected to by Purchaser within the Title Review Period will be deemed accepted by Purchaser and will constitute "**Permitted Exceptions**" to title. If Purchaser notifies Sellers in writing of objections to title or survey matters within the Title Review Period, Sellers will have thirty (30) days to cure such objections (the "**Title Cure Period**") provided, Sellers shall not be obligated to cure any objections and the failure of Sellers to cure any objections shall not be a default of Sellers. If Sellers are unable or unwilling to cure such objections within the Title Cure Period, Purchaser may waive the objections and proceed to closing accepting such title as Sellers are able to convey or terminate the Purchase Agreement by giving the Sellers' written notice of such termination within ten (10) days after expiration of the Title Cure Period in which event the Earnest Money, less the Independent Consideration, shall be returned to Purchaser. The Title Company shall update the Title Commitment within thirty (30) days prior to the Closing, and Purchaser may review and object to any new items appearing therein within ten (10) days after receipt of the updated Title Commitment. Sellers shall have the option but shall not be required to cure any new title objections prior to Closing and any failure by Sellers to do so shall not be a default by Sellers. If Sellers fail to cure such new title

objections prior to Closing, the Purchaser may either (i) waive such objections and close, accepting such title as Sellers are able to convey; or (ii) terminate the Purchase Agreement in which event the Earnest Money, less the Independent Consideration, shall be refunded to Purchaser. Notwithstanding the foregoing, City of Mesquite shall have until Closing to cure any objections relating to any proposed modifications of Current HUD Restrictions and any objection by Purchaser to such shall not be deemed waived.

At Closing, Purchaser, at Purchaser's sole cost and expense, shall purchase an owner policy of title insurance issued by the Title Company covering the Property in the amount of the Purchase Price, dated at or after Closing (the "**Title Policy**") insuring the Purchaser against loss under the provisions of the Title Policy, subject to the promulgated exclusions, the standard printed exceptions, the Permitted Exceptions, and all title and survey objections waived by Purchaser, provided, however, the standard printed exception as to discrepancies, conflicts and shortages in area shall be amended, at Purchaser's option and at Purchaser's expense to read "shortages in area" only.

Entitlements:

During the period commencing on the Effective Date of the Purchase Agreement and continuing during the Entitlement Period (as defined below), Purchaser, at Purchaser's expense, shall seek to obtain approval of appropriate entitlements (the "**Entitlements**") for the Property allowing the Property to be developed and used for uses and purposes satisfactory to Purchaser. Purchaser shall submit to Balch Springs Purchaser's proposal for Entitlements within ninety (90) days after the Effective Date of the Purchase Agreement. The Entitlements Purchaser may seek include, but are not be limited to, (1) approval by the City of Balch Springs of a development agreement satisfactory to Purchaser providing for the zoning, platting and development of the Property, and (2) HUD's approval of modifications of the Current HUD Restrictions currently encumbering portions of the Property satisfactory to Purchaser, provided, however, Purchaser agrees the modified restrictions set forth in the section titled HUD Restrictions above are acceptable to Purchaser, and (3) approval by HUD of Purchaser's Form HUD-2530, provided, however, notwithstanding the foregoing, the Purchase Agreement shall expressly identify the Entitlements to be sought by the Purchaser. Staff of Balch Springs shall cooperate with Purchaser in providing information and scheduling Purchaser's request(s) for consideration of Entitlements by the Balch Springs City Council. The Entitlement Period shall commence on the Effective Date of the Purchase Agreement and terminate on the earlier of: (i) the date the Entitlements identified in the Purchase Agreement are approved by Balch Springs; or (ii) six (6) months after the Effective Date of the Purchase Agreement (the "**Entitlement Period**"). If Entitlements have not been approved by the end of the Entitlement Period, Purchaser may extend the

Entitlement Period for up to ninety (90) days by notifying Sellers and with the consent of Mesquite and Balch Springs, said consent not to be unreasonably withheld. If Purchaser does not receive approval of the Entitlements within the Entitlement Period, Sellers may negotiate with other parties for the sale of the Property on terms acceptable to the Sellers.

Immunity:

The Sellers do not waive or surrender any of their governmental powers, immunities or rights and, notwithstanding any provision of this MOU, this MOU does not control, waive, limit or supplant the legislative authority or discretion of the City Council of Mesquite or the City Council of Balch Springs. The Purchase Agreement shall contain a provision that the Sellers do not waive or surrender any of their governmental powers, immunities or rights and, notwithstanding any provision of the Purchase Agreement, the Purchase Agreement does not control, waive, limit or supplant the legislative authority or discretion of the City Council of Mesquite or the City Council of Balch Springs.

Remedies:

The Parties agree that the Purchase Agreement shall provide that a default by any Party shall not entitle any non-defaulting Party to seek or recover damages, including but not limited to attorneys' fees, consequential and exemplary damages. The Purchase Agreement shall provide that the Purchaser's sole remedy for breach by Mesquite or Balch Springs shall be to select one of the following three remedies as its sole and exclusive remedy: (i) terminate the Purchase Agreement and receive a refund of the Earnest Money, less the Independent Consideration; (ii) waive the default and proceed to close the transaction, in which case such default shall be deemed waived; or (iii) seek the equitable remedy of specific performance; provided, however, in no event shall the remedy of specific performance be available to enforce the Purchase Agreement in the event HUD fails to modify the Current HUD Restrictions at Closing. The Purchase Agreement shall further provide that each Seller's sole remedy for breach by the Purchaser shall be to terminate the Purchase Agreement and receive the Earnest Money as liquidated damages, Mesquite receiving 98.847% and Balch Springs receiving 1.153%, respectively.

Closing:

At the Closing, Mesquite shall convey the Mesquite Property and Balch Springs shall convey the Balch Springs Property to Purchaser by Deeds Without Warranty (the form of such deeds to be agreed upon and attached as exhibits to the Purchase Agreement), and Purchaser shall fund the Purchase Price in cash. The Closing shall occur at the Title Company at 10:00 a.m. Central Standard Time, on the date that is thirty (30) days after the expiration of the Entitlement Period, or at such earlier time and date that is mutually agreed to by all Parties.

Disclaimer: Conveyance of the Property will be on an “AS IS, WHERE IS AND WITH ALL FAULTS” basis. Sellers will not make any representations or warranties with respect to any matter concerning the condition of the Property. The Purchase Agreement shall contain a disclaimer and limitation of representations and warranties as to the Property acceptable to Sellers and Purchaser.

Closing Costs: Each Seller shall pay closing costs specifically set forth in the Purchase Agreement to be paid by each Seller. Purchaser shall pay for (a) all costs associated with conducting the tests and studies to be conducted during the Feasibility Study Period, (b) all costs relative to pursuit of the Entitlements, (c) taxes for the year of Closing from and after the date of Closing, and (d) all other closing costs specifically set forth in the Purchase Agreement to be paid by Purchaser.

Real Estate Taxes & Assessments: The Properties are currently tax exempt and as such no taxes will accrue on the Property until the date of Closing. Purchaser shall be responsible for all taxes on the Property from and after the date of Closing.

Possession: Exclusive possession of and to the Property shall transfer to Purchaser at the Closing and funding of the Purchase Price of the Property.

Commissions: Seller and Purchaser agree that no real estate brokers or agents are involved in this transaction, and that no fees and commissions are due or payable. **Purchaser shall indemnify Sellers from any claims for a broker’s fee or commission on the sale of the Property by any real estate broker or agent claiming by, through or under Purchaser.**

Title Company: Capital Title Company
Attn: Diane Perry
5025 W. Park Blvd., #100
Plano, Texas 75093
Phone: (972) 985-1898
Email: dperry@ctot.com

Miscellaneous: The obligations of the Sellers shall be several. The City of Mesquite shall not have any responsibility or liability for any act, omission or default by the City of Balch Springs and the City of Balch Springs shall not have any responsibility or liability for any act, omission or default by the City of Mesquite.

The Parties agree that the closing of the purchase of each tract of the Property is expressly conditioned upon the closing of the purchase of all tracts of the Property.

The Parties agree that the Purchase Agreement shall be subject to the approval of the City Council of both Sellers.

The Parties acknowledge that the negotiations between the Parties and the sale and purchase of the Property is pursuant to that certain City of Mesquite and City of Balch Springs Request for Proposal No. 2019-046, together with Addendum No. 1 and Addendum No. 2 thereto (collectively "**RFP No. 2019-046**") and the proposal dated December 5, 2019, made by Purchaser in response to RFP No. 2019-046 ("**Proposal**"). The Parties agree that the terms, provisions, covenants and conditions in RFP No. 2019-046 and the Proposal are incorporated into and made a part of this MOU and shall be incorporated into and made a part of the Purchase Agreement for all purposes and the Purchaser shall be bound by the terms, provisions, covenants and conditions of RFP No. 2019-046 and the Proposal. The Parties further agree that in the event of any conflict between this MOU, RFP No. 2019-046 and the Proposal, this MOU shall control.

This MOU is not to be construed as a binding agreement or contract. A binding contract between the Parties will not exist unless and until the Parties have negotiated, drafted and executed a formal written Purchase Agreement for the sale and purchase of the Property based on the business points set forth herein, as well as additional terms and conditions as deemed appropriate by each Party. Notwithstanding any provision to the contrary contained herein, this MOU shall not constitute an agreement by any Party to enter into a final Purchase Agreement. Each Party acknowledges and agrees that each Party is proceeding with negotiations relating to the proposed sale and purchase of the Property at its sole cost and expense and that any Party may terminate negotiations at any time and for any reason after the Exclusive Period without any liability or obligation whatsoever.

If this MOU is not accepted and executed by Sellers by 3:00 p.m. on May 31, 2020, or if Seller and Purchaser fail to execute the Purchase Agreement based on the foregoing terms and other terms and conditions acceptable to each Party on or before the Exclusive Period, then this MOU shall be null and void. This MOU may be amended only by written agreement signed by the Parties.

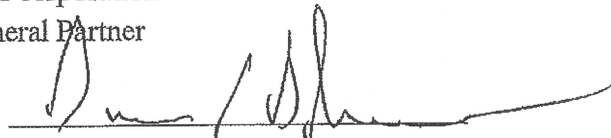
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If the proposed terms above are acceptable, please execute where indicated below. I look forward to discussing the above in greater detail at your earliest convenience. Thank you for the opportunity to submit this offer.

Sincerely,

BLOOMFIELD HOMES, L.P.,
a Texas limited partnership

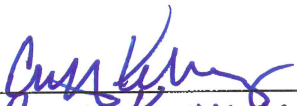
By: Bloomfield Properties, Inc.,
a Texas corporation
its General Partner

By: 
Donald J. Dykstra, President

AGREED AND ACCEPTED:

SELLER:

CITY OF MBSQUITE

By: 
Name: CLIFF KEHELEY
Title: CITY MANAGER
Date: 5-20-2020

CITY OF BALCH SPRINGS


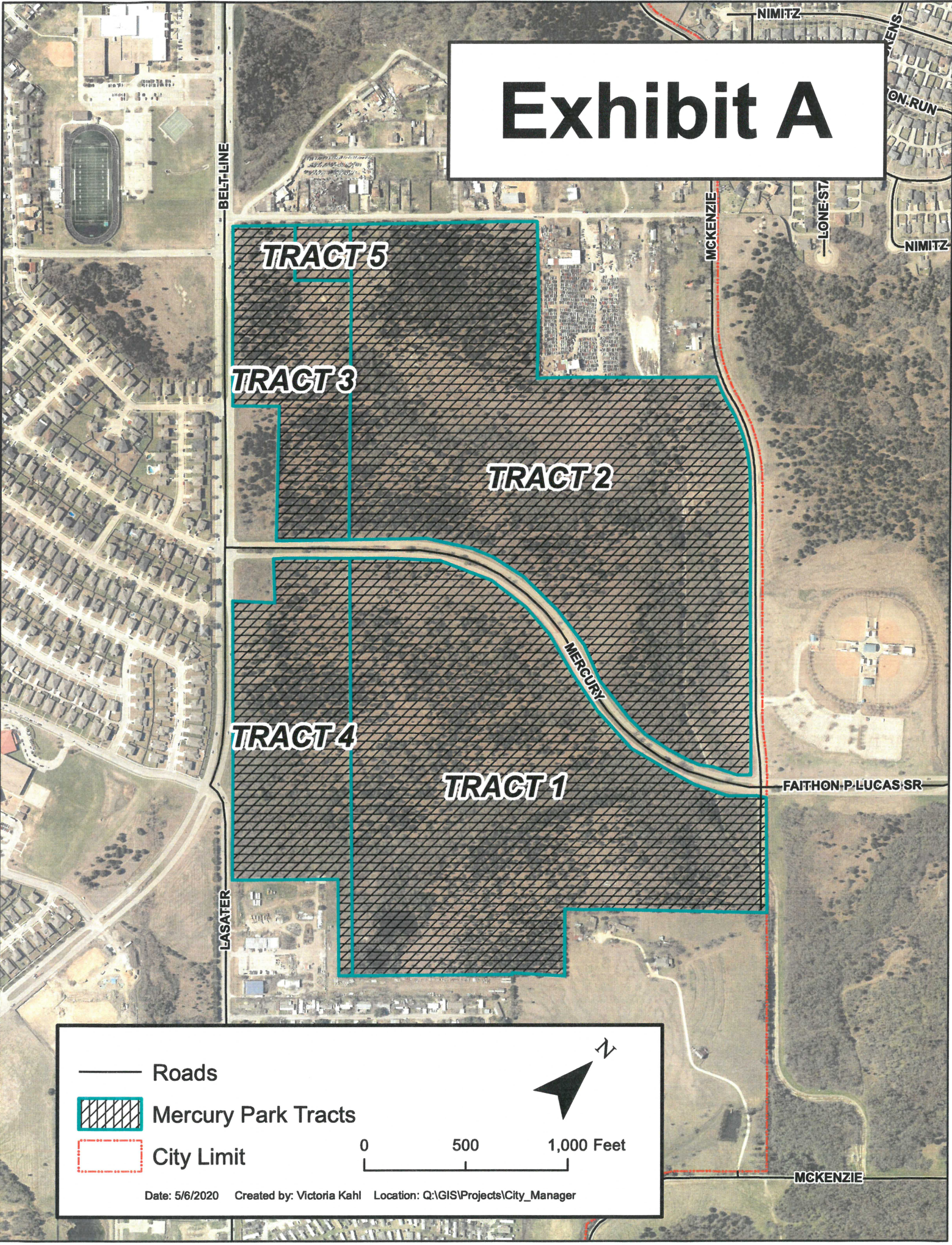
By: 
Name: STEVEN GORWOOD
Title: MAYOR
Date: 5/13/2020

EXHIBIT A

DESCRIPTION AND/OR DEPICTION OF THE PROPERTY

[See Attached]

Exhibit A



— Roads

 Mercury Park Tracts

 City Limit

0 500 1,000 Feet

Date: 5/6/2020 Created by: Victoria Kahl Location: Q:\GIS\Projects\City_Manager

TRACT 1

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being a portion of that tract of land conveyed to the City of Mesquite, Dallas County, Texas according to deed recorded in Volume 94131, Pages 491-506, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod with NDM plastic cap set in the East right-of-way line of Mercury Road (a 100-foot right-of-way), said iron rod being located North 44 degrees 33 minutes 07 seconds East for a distance of 600.00 feet from a 3/8" iron rod found at the intersection of the East right-of-way line of Mercury Road and the North right-of-way line of Beltline Road (a 100-foot right-of-way);

THENCE North 44 degrees 33 minutes 07 seconds East for a distance of 207.26 feet along the East right-of-way line of Mercury Road to a 5/8" iron rod found for corner;

THENCE along a curve to the right and along the East right-of-way line of Mercury Road an arc length of 1049.62 feet to a 1/2" iron rod found for corner, said curve having a central angle of 66 degrees 49 minutes 14 seconds, a radius of 900.00 feet, a tangent length of 593.67 feet, a chord bearing of North 77 degrees 57 minutes 44 seconds East and a chord length of 991.14 feet;

THENCE along a curve to the left and along the East right-of-way line of Mercury Road an arc length of 1165.32 feet to a 1/2" iron rod found in the South right-of-way line of McKenzie Road (a 60-foot right-of-way), said curve having a central angle of 63 degrees 35 minutes 18 seconds, a radius of 1050.00 feet, a tangent length of 650.88 feet, a chord bearing of North 79 degrees 34 minutes 42 seconds East and a chord length of 1106.42 feet;

THENCE South 45 degrees 11 minutes 28 seconds East for a distance of 566.60 feet along the South right-of-way line of McKenzie Road to a 1/2" iron rod found for corner;

THENCE South 44 degrees 56 minutes 01 seconds West for a distance of 933.28 feet to a 1/2" iron rod found for corner;

THENCE South 45 degrees 10 minutes 06 seconds East for a distance of 315.08 feet to a 60d nail found for corner;

THENCE South 44 degrees 40 minutes 51 seconds West for a distance of 1002.38 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 45 degrees 28 minutes 28 seconds West for a distance of 2053.98 feet to the POINT OF BEGINNING, and containing 61.2824 acres (2,669,461 square feet) of land, more or less.

TRACT 2

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being a portion of that tract of land conveyed to the City of Mesquite, Dallas County, Texas according to deed recorded in Volume 94131, Pages 491-506, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod with NDM plastic cap set in the West right-of-way line of Mercury Road (a 100-foot right-of-way), said iron rod being located North 44 degrees 33 minutes 07 seconds East for a distance of 600.00 feet from a 1/2" iron rod found at the intersection of the West right-of-way line of Mercury Road and the North right-of-way line of Beltline Road (a 100-foot right-of-way);

THENCE North 45 degrees 29 minutes 16 seconds West for a distance of 1259.17 feet to a 1/2" iron rod found for corner;

THENCE South 44 degrees 31 minutes 58 seconds West for a distance of 4.12 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 45 degrees 24 minutes 39 seconds West for a distance of 295.44 feet to a 1/2" iron rod found for corner in the East right-of-way line of Lakeside Drive (a 60-foot right-of-way);

THENCE North 44 degrees 31 minutes 29 seconds East for a distance of 885.98 feet along the East right-of-way line of Lakeside Drive to a 60d nail found for corner;

THENCE South 45 degrees 30 minutes 46 seconds East for a distance of 769.40 feet to a 1/2" iron rod found for corner;

THENCE North 44 degrees 30 minutes 11 seconds East for a distance of 869.06 feet to a 60d nail found for corner in the South right-of-way line of McKenzie Road (a 60-foot right-of-way);

THENCE along a non-tangent curve to the left and along the South right-of-way line of McKenzie Road an arc length of 149.69 feet to a 3/8" iron rod found for corner, said curve having a central angle of 10 degrees 23 minutes 57 seconds, a radius of 824.74 feet, a tangent length of 75.05 feet, a chord bearing of South 70 degrees 29 minutes 15 seconds East and a chord length of 149.48 feet;

THENCE along a curve to the right and along the South right-of-way line of McKenzie Road an arc length of 407.02 feet to a 1/2" iron rod found for corner, said curve having a central angle of 30 degrees 13 minutes 29 seconds, a radius of 771.58 feet, a tangent length of 208.37 feet, a chord bearing of South 60 degrees 34 minutes 29 seconds East and a chord length of 402.32 feet;

THENCE South 45 degrees 27 minutes 44 seconds East for a distance of 1133.67 feet along the South right-of-way line of McKenzie Road to a 1/2" iron rod found for corner;

THENCE along a curve to the left and along the South right-of-way line of McKenzie Road an arc length of 152.80 feet to a 1/2" iron rod found for corner, said curve having a central angle of 08 degrees 30 minutes 00 seconds, a radius of 1030.00 feet, a tangent length of 76.54 feet, a chord bearing of South 49 degrees 42 minutes 44 seconds East and a chord length of 152.66 feet;

THENCE along a curve to the right and along the South right-of-way line of McKenzie Road an arc length of 157.84 feet to a 1/2" iron rod with NDM plastic cap set for corner in the West right-of-way line of

Mercury Road, said curve having a central angle of 09 degrees 19 minutes 25 seconds, a radius of 970.00 feet, a tangent length of 79.10 feet, a chord bearing of South 49 degrees 18 minutes 02 seconds East and a chord length of 157.67 feet;

THENCE along a non-tangent curve to the right and along the West right-of-way line of Mercury Road an arc length of 1049.63 feet to a 1/2" iron rod with NDM plastic cap set for corner, said curve having a central angle of 63 degrees 18 minutes 17 seconds, a radius of 950.00 feet, a tangent length of 585.64 feet, a chord bearing of South 79 degrees 43 minutes 12 seconds West and a chord length of 997.05 feet;

THENCE along a curve to the left and along the West right-of-way line of Mercury Road an arc length of 1166.24 feet to a 1/2" iron rod found for corner, said curve having a central angle of 66 degrees 49 minutes 14 seconds, a radius of 1000.00 feet, a tangent length of 659.64 feet, a chord bearing of South 77 degrees 57 minutes 44 seconds West and a chord length of 1101.26 feet;

THENCE South 44 degrees 33 minutes 07 seconds West for a distance of 207.26 feet along the West right-of-way line of Mercury Road to the POINT OF BEGINNING, and containing 71.4629 acres (3,112,926 square feet) of land, more or less.

TRACT 3

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being a portion of that tract of land conveyed to the City of Mesquite, Dallas County, Texas according to deed recorded in Volume 94131, Pages 491-506, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod with NDM plastic cap set for corner in the West right-of-way line of Mercury Road (a 100-foot right-of-way), said iron rod being located North 44 degrees 33 minutes 07 seconds East for a distance of 200.00 feet from a 1/2" iron rod found at the intersection of the West right-of-way line of Mercury Road and the North right-of-way line of Beltline Road (a 100-foot right-of-way);

THENCE North 45 degrees 29 minutes 16 seconds West for a distance of 679.39 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 44 degrees 33 minutes 07 seconds West for a distance of 200.00 feet to a 1/2" iron rod with NDM plastic cap set for corner in the North right-of-way line of Beltline Road;

THENCE North 45 degrees 29 minutes 16 seconds West for a distance of 874.12 feet along the North right-of-way line of Beltline Road to a 5/8" iron rod found for corner;

THENCE North 44 degrees 24 minutes 08 seconds East for a distance of 301.61 feet to a 1/2" iron rod found for corner;

THENCE South 45 degrees 26 minutes 26 seconds East for a distance of 295.23 feet to a 1/2" iron rod found for corner;

THENCE North 44 degrees 31 minutes 58 seconds East for a distance of 298.64 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 45 degrees 29 minutes 16 seconds East for a distance of 1259.17 feet to a 1/2" iron rod with NDM plastic cap set for corner in the West right-of-way line of Mercury Road;

THENCE South 44 degrees 33 minutes 07 seconds West for a distance of 400.00 feet along the West right-of-way line of Mercury Road to the POINT OF BEGINNING, and containing 16.2641 acres (708,466 square feet) of land, more or less.

TRACT 4

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being a portion of that tract of land conveyed to the City of Mesquite, Dallas County, Texas according to deed recorded in Volume 94131, Pages 491-506, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2" iron rod with NDM plastic cap set for corner in the East right-of-way line of Mercury Road (a 100-foot right-of-way), said iron rod being located North 44 degrees 33 minutes 07 seconds East for a distance of 200.00 feet from a 3/8" iron rod found at the intersection of the East right-of-way line of Mercury Road and the North right-of-way line of Beltline Road (a 100-foot right-of-way);

THENCE North 44 degrees 33 minutes 07 seconds East for a distance of 400.00 feet along the East right-of-way line of Mercury Road to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 45 degrees 28 minutes 28 seconds East for a distance of 2053.98 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 44 degrees 40 minutes 51 seconds West for a distance of 165.28 feet to a 1/2" iron rod found for corner;

THENCE North 45 degrees 25 minutes 08 seconds West for a distance of 499.69 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE South 44 degrees 38 minutes 21 seconds West for a distance of 436.11 feet to a 3/4" iron rod found for corner in the North right-of-way line of Beltline Road;

THENCE North 45 degrees 25 minutes 51 seconds West for a distance of 388.15 feet along the North right-of-way line of Beltline Road to a 1/2" iron rod found for corner;

THENCE North 44 degrees 53 minutes 32 seconds West for a distance of 59.89 feet along the North right-of-way line of Beltline Road to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 45 degrees 28 minutes 28 seconds West for a distance of 905.21 feet along the North right-of-way line of Beltline Road to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 44 degrees 33 minutes 07 seconds East for a distance of 200.00 feet to a 1/2" iron rod with NDM plastic cap set for corner;

THENCE North 45 degrees 28 minutes 28 seconds West for a distance of 200.00 feet to the POINT OF BEGINNING, and containing 22.3832 acres (975,014 square feet) of land, more or less.

TRACT 5

BEING a tract of land situated in the John P. Anderson Survey, Abstract No. 1, City of Balch Springs, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8" iron rod for corner at the intersection of the Southeast right-of-way line of Lakeside Drive (a 60-foot right-of-way) and the Northeast right-of-way line of Beltline Road (a 100-foot right-of-way), thence North 44 degrees 57 minutes 03 seconds East for a distance of 300.00 feet along the Southeast line of Lakeside Drive to the POINT OF BEGINNING;

THENCE continuing along the Southeast line of Lakeside Drive North 44 degrees 57 minutes 03 seconds East for a distance of 295.00 feet to a point for corner;

THENCE South 45 degrees 00 minutes 00 seconds East for a distance of 295.45 feet to a point for corner;

THENCE South 45 degrees 00 minutes 00 seconds West for a distance of 295.00 feet to a point for corner;

THENCE North 45 degrees 00 minutes 00 seconds West for a distance of 295.20 feet to the POINT OF BEGINNING, and containing 2.0000 acres (87,120 square feet) of land, more or less.